

The problem of collectivized agriculture:  
how self-determination corrected the failed course of the Great Leap Forward

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## Introduction

The Great Leap Forward campaign, a period of sweeping socialist reform in China between 1958 and 1962 marked by Chairman Mao Zedong's pursuit of accelerated industrialization via agricultural collectivization, is considered "a very expensive disaster" (Perkins 144) as it wrought arguably the deadliest famine in human history. With "[p]rivate enterprise in China [being] eliminated by 1958, [...] practically all industrial and commercial activity was in the hands of [the] state" (Gurley 142) meaning that socio-economic conditions were ripe for the total realization of communism as Maoist policy intended. However, 1961 saw China going from being a net exporter of grain the preceding year to becoming a net importer with annual grain imports totalling 5,628,000 tons as opposed to the 3,281,000 tons of grain exported and 40,000 tons imported in 1960 (Walker 163). This drastic change came about as a result of the famine wrought by the state's blind imposition, without statistical data, of "the highest rates of grain procurement since 1953 at a time when output per head was at its lowest for many years" (167). Domestic stocks were exhausted in 1961 after "[t]hirty million tonnes of grain reserves were depleted" (Meng, Quian and Yared 1574) in order to supplant dying rural cadres after the urban-biased ration system siphoned food rations from the countryside.

Maoist policy strived to see China "enter communism" (Gurley 209). However, the catastrophic failure of the Great Leap Forward and subsequent post-1978 reforms proved that a thoughtful protectionist trade policy and local market independence, as opposed to an isolationist state-run economy, facilitates the prosperity of China and its people. The overly optimistic mobilization of agricultural producer cooperatives (APCs) and the inorganic expansion of their production capabilities alongside a poorly utilized rural labour force led to the imposition of unrealistic quotas on exported goods, thus the inevitable collapse of China's rural cadres.

### **Administrative conditions during the Great Leap Forward**

Settling “30%-50% of the rural labour force” into communes as farmers, many of whom were diverted to working ‘backyard furnaces’ that produced steel “of such poor quality that at least half of it was considered waste”, put China’s workforce down a precarious path laden with misdirection and over-utilization. This “diversion of resources is estimated to account for 28.6% of overall grain output collapse, a factor that was secondary only in importance to excessive procurement” (Kung and Lin 54). Committing a mismanaged workforce to work with “1,600,000,000 mou of land under cultivation, 600 million [of which] had been hit by calamities in 1959 and 900 million in 1960” (Aird 285) resulted in grain production quotas not being met. Mao’s socialist regime saw widespread food shortages in rural cadres which, coupled with the ban of private holdings and increasing costs of living amongst peasants (Schran 217), led to approximately 27 million famine-related deaths between 1958 and 1963 (Coale 7).

The urban-biased ration system instituted by the Party Central Committee meant “[r]ural workers had to deliver [a] compulsory quota to procurement agencies at prices set by the government” and said system lent “urban residents [...] protected legal rights for certain amounts of grain consumption” (Lin and Yang 130). This bias is exemplified by the 1960 distribution of 308kg grain occupation per capita to urban areas compared to the 191kg of grain occupation per capita to rural areas. Such administrative bias contributed greatly to the degeneration of government-sanctioned people’s communes, which functioned as “state agroindustrial enterprises” (Domenach 155) that columnist Jean-Luc Domenach posits sprouted as a “result of deliberate political manipulation” (156). In 1958, 26,000 people’s communes were organized from a crop of “more than 740,000 agricultural producer cooperatives [that] combined” (Aird 282). Vice Premier Li Fu-ch’un set “the food grain production target for 1959 [at] 525 million tons” in

response to 1958's purported 375 million ton grain yield, though the target "grain figure was reduced to 250 million tons" (283) following unsatisfactory returns reported upon repeated production inspections. APCs grossly exaggerated their grain production figures in order meet the increased export quotas, thus draining surplus grain reserves; this resulted in a grain deficit within the people's communes.

The overstimulation of agricultural production by APCs trying to meet compulsory production quotas depended on the efficacy of collective labour that "was not, mostly, self-motivated and did require supervision" (Nolan 78). The arable land that APCs worked was property of the state so the Chinese government equalized spatial income differentials across the people's communes. This was a mistake because "egalitarianism [followed] and those production teams that produce more cannot earn more [thus] their production enthusiasm will be dampened" (Zhong 1961). Communal revenue was controlled by Maoist policy in lieu of taxation which coerced "communes to reinvest a high proportion of their income, [...] directly control[ed] their production structure and [set] absolute limits to the average incomes distributed by collectives" (Nolan 81). Central to Maoist administrative practices was the 'three fixed' policy, introduced in 1955, that called for "fixed production, fixed purchases and fixed sales" which established a compulsory grain production quota to each piece of farmland, quotas for compulsory sales to the state and guaranteed ration supplies to "grain-deficient peasants" (Donnithorne 1967, 346). The policy was implemented in order to stabilize grain procurement rates after 1954 rendered a poor harvest by limiting "the state's liability to supply grain-deficient rural residents and provid[ing] an incentive for grain-surplus peasants [...] by placing a ceiling to their liability for compulsory sales" (Donnithorne 1966, 50). Overall, Mao's socialist policies curbed organic market growth in favour

of a controllable, state-run economy, Consequently, the expeditious industrialization of the Great Leap Forward ran amok due to factors the Chinese government could not control.

### **The problem of collectivized agriculture during the Great Leap Forward**

The aims of the Great Leap Forward required the mobilization of peasants during off-seasons “into large units for community and area projects” so as to increase total labour days. Such socialised practices suggest that there would be little to no drawback from the sharply expanded utilization of collective labour. However, this “did not result in commensurate increases in total output, since other inputs did not keep pace with labour inputs” (Gurley 243). Exhausting the incentives for such hard work meant that by the end of the 1950s, a significant portion of the peasantry was unmotivated thus the need for communal supervision. In 1961, China’s economy faced “a 20-25 percent decline in national [agricultural] output” and this shifted “its economic priorities to place agriculture first” (Gurley 246). More consequential regulatory failure could be found in “the excesses of [the peasants’] local leaders” (Domenach 61). Communal dining took place in most rural cadres which led to irrational consumption behaviour as a result of the “popular perception that food was provided not only free of charge but also in unrestricted quantity”. These mess halls were “already becoming unpopular with the peasants as early as the spring of 1959” (Kung and Lin 65) because they did not reliably secure rations; instead they contributed to local inequality in meal consumption.

The grain yield from once arable land declined not so much as a result of abrasive weather, as claimed to be the official cause of agricultural failure by the government, but rather the Four Pests Campaign that eradicated sparrows nationwide who, unbeknownst to Mao, were the farmers’ “greatest allies in insect control” (Shapiro 88). China’s diverse topography, which contains

rainforests, deserts and everything in between that specifically facilitate the growth of varying crops, produces equally erratic weather. Hence, because droughts and monsoons happen simultaneously in separate regions within China, the weather is ultimately not a determining factor when assessing the causes of famine. This does not mean that the famine came about and was relieved solely by socio-economic reform as, atop the natural imbalance the Four Pests campaign brought about, mechanization and fertilization played significant roles in alleviating agricultural problems. The heightened use of chemical fertilizers roughly contributed “between 40 percent and 55 percent of the increase in grain output”, bringing a “70 million ton increase in grain output during the period 1959-1970” (Gurley 248). Alongside the industrial emphasis on chemical fertilizers, perhaps the most enduring philosophy of the Great Leap Forward was rural industrialization in order “to achieve mechanization in agriculture and hence greater agricultural productivity” (Gurley 255). As a result of industrial modernization, Maoist policy aimed to place “‘five small industries’ – iron and steel, cement, chemical fertilizer, energy (coal, electricity), and machinery” in every county across the nation, with half of China’s 2100 counties housing these industries in 1971 (254). China’s agricultural industrialization and subsequent mechanization was an inevitable outcome of its need to expand economically but not in the direction of communism as Mao had intended, rather free market socialism as his successor, Deng Xiaoping, had enabled.

### **Post-1978 reforms on collectivized agriculture**

Post-1978 reforms wrought the establishment of a contract system for production teams that was split into three different forms: “‘contracting output to the group’ (*bao chan dao zu*), ‘contracting output to the household’ (*bao chan dao hu*), [and] ‘contracting work to the household’ (*bao gan dao hu*)” (Nolan 82). The *bao chan dao zu* systems “fulfil a specified amount of farm

output [...] for a fixed land area” and toward the end of 1980 “almost half the basic accounting units were employing some kind of ‘contract’ system” (83). In order to legally implement the contract systems, the state issued the ‘Economic Contract Law’ in 1981 which protects “the legitimate rights and interests of parties to economic contracts for deals involving foreign businesses” (Economic Contract Law, article 1). Coupled with the popularity of the contract systems, which handed over control of economic decision making from the state to smaller groups and individuals, a two-tier rural land ownership system was implemented nationwide.

The two-tier system was a compromise between bygone Maoist policy and the progressively free market that the Xiaoping administration enabled. The undefined nature of “China’s ambiguous landownership rights and traditional restrictions on land sales and rentals have been obstacles to the development of commercialized farming in China” (Chin 221); they also lend resilience to property rights so as to uphold China’s protectionist interests. In 2002, a new rural land contract law was instituted, the “Rural Land Contract Law of the People’s Republic of China” (229), that granted farmers possession of “land utilization rights for their contracted land regardless of their ability to meet tax commitments”. It relieved the uncertainty gap that the two-tier system created by “giving asset rights for rural land without actually granting private property ownership rights” (230). Such provisions were a necessary reaction to China’s growing relationship with the World Trade Organization as it allowed the government to curb international buyouts of land while granting legitimate asset rights to farmers which “is especially pertinent if one considers that from 1987 to 2001, 55 million farmers lost their land base” (234).

Owning asset rights has also given many citizens from the countryside the freedom to emigrate into urban communities whilst having not only security but a source of income if they contract their land. Large clusters of peasants emigrating into China’s cities and metropolises

forces the state to expand infrastructure in these municipalities in order to facilitate their growing migrant populations in adequate housing structures so as to prevent skid rows from forming. In order to supplant a growing population that has doubled since the Great Leap Forward, whilst the state's self-sufficiency waned and its "dependence of foreign grain increased" (Walker 167), China's modes of grain procurement was due for readjustment. The demand for grain as a result of mass urbanization has kept China's grain imports on a steady rise which is interesting considering grain production has been steadily rising as well. China's population is so large that it cannot rely solely on domestic grain procurement to satiate its demand. This necessitated an increasingly open foreign trade policy simply to supplant the colossal demand of its own populace.

Having been one of the casualties of the Great Leap Forward, the post-1978 reform era saw the return of the birth control campaign which "was germinated in a period marked by a belief in economic determinism, administrative pragmatism, and concern over the balance of food and population" (Aird 276). Because of Mao's philosophy of strength in numbers, birth control was not relevant during the Great Leap Forward and thus supply whittled down in the wake of agricultural disasters that befell the ambitious campaign while demand increased as urban populations steadily rose. Against his predecessor's wishes, Deng Xiaoping formally instituted the 'One-Child Policy' in 1979 which aggravated population control so that agricultural supply may meet demand. If mass population control during the Great Leap Forward did not happen as a result of fatal administrative incompetence, as opposed to a sensible policy, then the economic gap between rural and urban populations would have grown. Peasants were largely denied the opportunity to migrate to urban areas under Maoist policy so as to avoid an over-saturation of job-seekers in urban market while keeping a large crop of labourers involved in China's rural markets. Considering the highly competitive nature of the modern day job market in China, a careless



approach to birth control policy would exacerbate economic disparity because only low-salary industry labour would be expanded in order to supplant demand and the smaller a family is within such conditions, the easier it is to provide food, shelter and opportunity for one's own.

### **Conclusion**

The official aim of the Great Leap Forward, which was “to build China in the shortest possible time into a great socialist country with modern industry, modern agriculture and modern sciences and culture [...] to build a classless society in which the difference between city and country-side will disappear” (Gurley 242) can assuredly be considered an unmet one on all fronts with the exception of the mechanization of China's industries, especially agriculture. Because mechanization has, as years went on, allowed automated machinery to take the place of hard labour across Chinese industries, then the current and organic migration of enriched peasants to urban environments no longer endangers China's economy. With the well-placed post-1978 reforms that have led China onto a genuinely prosperous path, China's modern day socialism, that edges ever closer to capitalism as opposed to communism, has allowed it to become the economic superpower that Mao had worked so hard via his peasantry's efforts to attain. China's leaders have coalesced with foreign markets to fulfill domestic agricultural demands which its own peasantry is not totally able to. Altogether, this has lent China's citizens a greater sense of self-determination, with rural markets seeing greater independence to trade locally atop greater independent ownership and urban markets expanded access to global markets. From Mao to now, China's relationship with its agricultural industry and the world at large has gone from self-reliant to self-sustaining to its self-actualization after surviving its nadir during the Great Leap Forward.

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