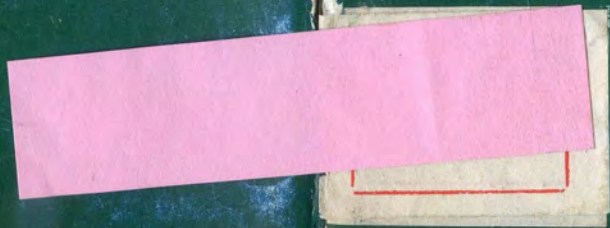


The Taching Oilfield
A Maoist Model
for Economic Development
Leslie W. Chan



AUSTRALIAN NATIONAL UNIVERSITY PRESS

ISBN 0 7081 0135 6



The Taching oilfield, discovered in the late 1950s, has become China's main producer of crude oil and a national model for all industry. This paper relates the history of this remarkable complex and its development from its discovery, through the disruptions of the Cultural Revolution up to the leading position it holds today. Mrs Chan analyses Taching's pattern of development and discusses its successes and failures. She extends her discussion to embrace Mao Tse-tung's aims in economic development and also draws some conclusions about the feasibility of Maoist economic development for China.

Because of the close interrelationship between social, political and economic development that exists there this paper will be of interest to all observers of China, particularly those concerned with its economic development.

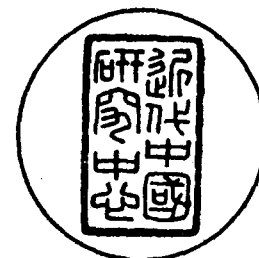
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AUSTRALIAN NATIONAL UNIVERSITY PRESS 1974

First published in Australia 1974

Printed in Australia for the Australian National University Press, Canberra

North, South, and Central America: International Scholarly Book Services, Inc., Portland, Oregon

Southeast Asia: Angus & Robertson (S.E. Asia) Pty Ltd, Singapore

Japan: United Publishers Services Ltd, Tokyo

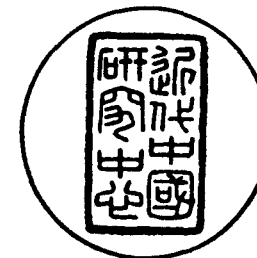
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ISBN 0 7081 0135 6

Library of Congress Catalog Card no. 74-80603

Text set in 10pt Linotype Garamond and printed by John Sands Pty Ltd, Sydney.



It is well-recognised among economists that economic development involves much more than raising national income. In the words of Dudley Seers:

The questions to ask about a country's development are therefore: What has been happening to poverty? What has been happening to unemployment? What has been happening to inequality? If all three of these have declined from high levels, then beyond doubt this has been a period of development for the country concerned.¹

One of the few leaders in the less developed countries genuinely to pursue such goals in development has been China's Mao Tse-tung. Yet, China's economic performance has tended to be judged more on the basis of growth than on overall development, and Mao has been severely criticised by Western economists for allowing social and political goals to hinder growth.

These criticisms are not only unfair, but also they stem from a preoccupation with quantitative studies on China and a failure to understand what Mao hopes to achieve. While it may be true that Mao's social and political ideas are not always compatible with maximum efficiency in economic activities, it does not follow that he is not committed to the growth of the Chinese economy. He realises that growth is essential to the attainment of his goals such as a higher standard of living for the people, world status for China, national power, and the building of an effective defence system. To his credit, however, he has put growth in perspective as an integral part of economic development.

To understand economic development in China, it is necessary to supplement statistical analyses, based on educated estimates at best, with studies which include consideration of social, political, and economic factors. The aim of this paper is to study Mao's strategy of development and growth by analysing the application of

his ideas in a prominent Chinese model of development. First, we shall briefly review the underlying ideas of Maoist development. Then we study how these ideas were implemented in a model enterprise and what they contributed to the model's success. Finally, we use the model's experience to evaluate the effectiveness of Mao's development policies for China and their implications for economic growth.

Maoist Development

In China, as in other developing countries, economic growth in the strict sense of increasing quantitative output without complementary changes in modes of production and the attitude of the population towards modernisation is growth without development. In the long run it can create serious social tensions which hinder growth. Mao's approach to economic development is to seek a solution to these problems as part of the development process.

Before the Great Leap Forward (1958-60), Mao was more actively involved with problems of politics and revolution than of economic development. Beginning from the Great Leap, he took a greater interest in economics primarily because of his concern with the form of development and its impact on Chinese society. Mao regarded political change and social and economic organisation as closely related processes which form the basis of economic development. Once the preconditions of proper social and economic organisation were established, economic growth would proceed satisfactorily. This was the reasoning behind the commune movement and the Great Leap and later, with some modification, was to lead to the Cultural Revolution.

Both these movements, though launched for different reasons, were consistent in their reflection of Mao's view of economic development in China. The Great Leap was an attempt to employ simultaneously political, social and economic measures to resolve bottlenecks to economic growth in the economy. The Cultural Revolution was, in part, due to Mao's misgivings about economic policies which had been successful in achieving growth at the expense of desired political and social development. Behind Mao's seemingly extremist policies lay a preoccupation with the attendant problems of rapid growth such as sharp regional imbalances, urban centres of industrialisation at the expense of the countryside, an inequitable income distribution, and growth of an entrenched, conservative bureaucracy and a technological and managerial elite. Instead, Mao visualised development in terms of decentralisation, efficient mobilisation of labour for production, and especially resolution of the social and economic contradictions he saw in Chinese society.

Because Mao is seeking a form of development in which there is not only growth, but also social and political development towards the communist society he has envisioned, statistical and structural analyses of China's economy need to be sup-

plemented by studies of Mao's goals and his view of what constitutes development. The success or failure to achieve his ideas may have extreme effects on economic policies and on the economy, as seen in the Great Leap and the Cultural Revolution, which are unintelligible solely in terms of economic growth.

The major problem confronting Mao has been to evolve a form of economic development compatible with the Chinese situation which can achieve rapid growth without sacrificing the social and political goals of the Chinese revolution. To have pursued rapid industrialisation in urban centres and to have concentrated further investments in the most developed areas of China would have excluded from the development process the mass of the population engaged in agriculture in the countryside. Mao hoped to balance industrial and agricultural growth to prevent a dichotomy in development and standard of living between city and countryside, maximise use of all available resources (mainly labour), and bring about social and political change.

Thus Mao's economic policies do not deal with concepts of economic theory and analysis, but they set the general framework within which planners and economists must work and within which cadres carry out general policy. Conditioned by the limitations of the Chinese economy and his own preoccupation with continuing the revolution, Mao has emphasised three core ideas in his approach to development which we shall consider briefly. They are contradictions, organisation, and self-reliance.

The idea of contradictions as the basis of change and development is an essential element of Mao's thought.² In his widely studied essay, 'On Contradiction', he wrote: 'The fundamental cause of the development of a thing is not external, but internal; it lies in the contradictoriness within the thing. The internal contradiction exists in every single thing, hence its motion and development'.³ Change comes only with the resolution of contradictions, and in Maoist development, 'the resolution of economic and social contradictions is inextricably linked'.⁴ Mao made this point clear in a speech delivered in April 1956. He condensed the economic and financial reports to the Politburo of thirty-four departments into ten major economic and social contradictions which had to be resolved for socialist construction in China.⁵

Mao has summarised these contradictions as the 'three great contradictions'—those between city and countryside, industry and agriculture, and mental and manual labour. The contradiction between the city with its modern industries and the countryside with only agriculture keeps the workers and peasants apart as two distinct classes. Their divergent living standards are a source of peasant discontent. The contradiction between industry and agriculture results from the lack of balance and co-ordination in the central government's investments in each sector. Previously, investments went into heavy industry, while agriculture was expected to rely on labour resources for development. Mao's emphasis now on local industries

and linking them, whenever possible, to the needs of agriculture, is one attempt to resolve this contradiction.⁶ The third contradiction, that between mental and manual labour, results from the growing distinction between those who work with their brains, such as office workers, and those who labour with their hands, such as factory workers and farmers. To close this gap, students, cadres, and administrative personnel are required to do manual work regularly, in factories or on communes, and manual workers are to participate in management and decision-making. Because Mao perceives these contradictions as a natural tendency of rapid growth, he insists that they be resolved as an integral part of the development process, even at the sacrifice of current economic growth.

Mao's belief in organisation as the foundation of development dates from his well-known 'Yenan experience'. During the war, blockades and scarcities made local self-sufficiency a necessity and required the disciplined organisation of a community. Despite the new demands of an increasingly complex economy, Mao retains his vision of a society in which each person is involved in production and is equally capable of functioning in the agricultural, industrial, and military affairs of his community.

This is to be achieved by combining economic with social organisation. Every member of the community, including women, students, and the elderly can be mobilised for some form of employment, and if necessary, temporarily transferred to other types of production requiring more manpower. For example, organising several women to operate a nursery frees other mothers for work in the fields or in factories. More importantly, relating social organisation to economic activities fosters a sense of collective outlook and effort in developing the economy.

To maintain centralised leadership and yet allow for and encourage opinions from lower levels, Mao developed the organisational principle of 'democratic centralism'. Originally a Leninist concept, it concentrated all power at the top of the Party hierarchy, proceeding downward. Mao divided the term into 'democracy' and 'centralism' to show the inherent contradiction in organisation in which impulses come both from above and from below.⁷ Now defined as 'centralism based on democracy and democracy under centralized guidance', democratic centralism is the guiding principle behind decentralisation. While there is centralised decision-making and setting of general policy which all units must follow, mass participation under Party guidance is elicited in discussing specific policy suited to local conditions in carrying out general directives.

The organisational unit that fulfils Mao's principles of social and economic organisation is the commune. Because it administers both the local economy and the local government, the people's commune serves as the basic economic, social, and political unit of China's socialist society. Since the commune combines the tasks of industry, agriculture, trade, education, and military training under unified local

government administration and commune management, it also offers a possible resolution of the 'three great contradictions'.

The third aspect of Maoist development is 'self-reliance'. During the revolutionary years, the policy of self-reliance grew from the shortages and necessities caused by wartime conditions. Now the term has taken on more meanings as it has been applied to various other situations. Generally it may refer to national self-sufficiency, local self-sufficiency, local initiative and resources in solving problems, and maximum use of all resources. It is constantly invoked to encourage sacrifice, frugality, and independence within general policy in analysing and solving problems. Reinforced by the positive thinking and habit of analysis derived from constant study of Mao's works, self-reliance becomes a significant non-material incentive and self-motivational force for overcoming difficulties.

These three core ideas are constantly repeated to the people in Chinese propaganda. In compulsory study sessions, which some observers dismiss as a waste of time, workers discuss the ideas in relation to their work and study the experience of models that have successfully applied Mao's ideas. Because of this role, models presented in propaganda are an important source of information on development policies.

Model workers and enterprises represent the country's best efforts, but at the same time, they convey ideal qualities which the rest of the country is instructed to imitate. When the emulation campaigns of 'compare with, learn from, and catch up with the advanced, and help the backward', were first launched in 1963, they were mainly production campaigns aimed at increasing the level of production of the economy. Since 1964, they have become political and ideological movements as well. This change reflects Mao's belief that economics cannot be separated from politics. Models are not merely examples, they also serve as non-material, political incentives.

The role of models in Chinese economic development goes beyond simply their propaganda value. They are useful for planned experimentation to test and revise policies and, as a method of communication, for guiding policy implementation. Through constant study of model units, other units learn to interpret general policy and realise what is expected of them. Both Mao and Liu Shao-ch'i recognised the importance of utilising models. Liu, however, favoured models for controlled experimentation on a small scale initially, while Mao advocated a wide, diverse application of a policy, then selection of the most successful unit as the model to emulate.⁸

In the late 1950s when the Taching oilfield was being opened, China was experimenting with commune organisation on a large scale with both agricultural and urban communes. At this time, Mao issued his Wuhan directive of 1958 that 'big enterprises like the Wuhan Iron and Steel Company can be built up as integrated complexes . . . should engage in agriculture, trade, education and military training

as well as industry'.⁹ Accordingly, the workers of Taching elected to follow the directive and try to develop Taching in the form of a commune centred around an industry. Its success established it in turn as the model for other large industrial complexes.

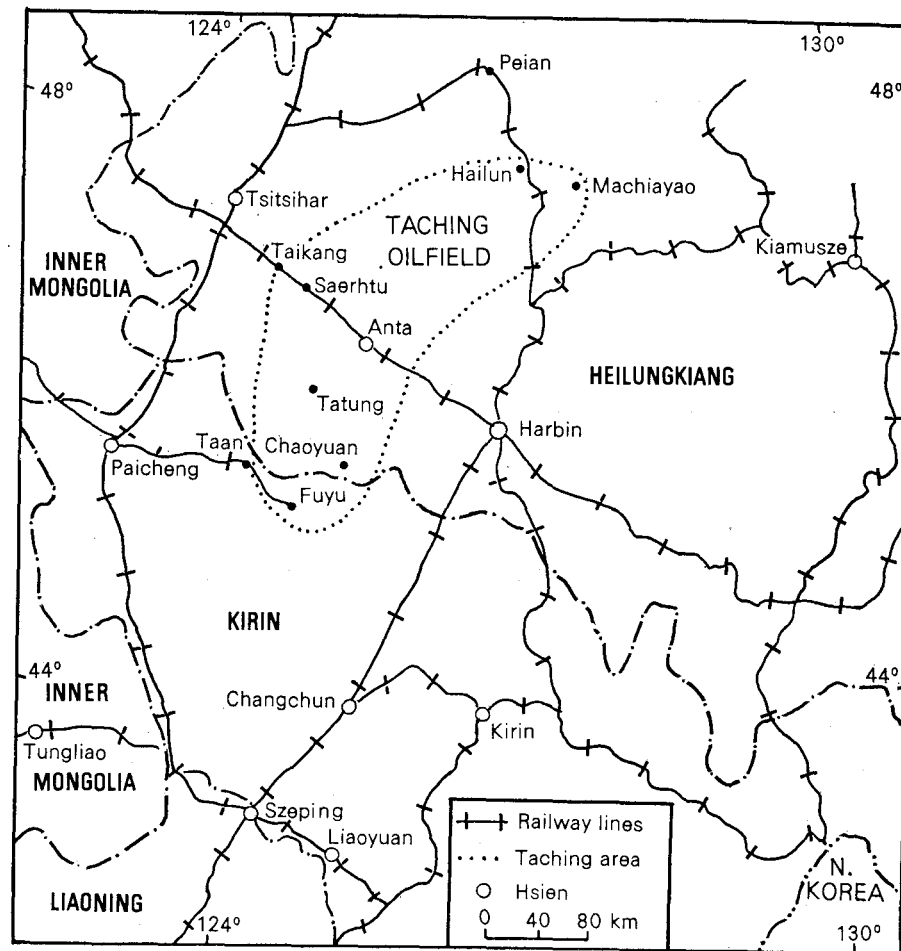
The use of models for guiding policy implementation involves recounting the experience of several models to show that there may be several acceptable interpretations of the same general policy as applied to different situations. For example, the slogan of 'self-reliance' takes on concrete meaning when illustrated by Taching's efforts to increase oil production rapidly to help China become self-sufficient in oil. Here, 'self-reliance' assumes national significance in terms of China's self-sufficiency. Other models of 'self-reliance' make this same policy applicable on a lower level. The 'spirit of self-reliance' shown by the famous Tachai agricultural production brigade in rebuilding their fields after a disastrous flood without state aid is a lesson to other communes and factories to rely on their own resources rather than state funds, in their operations.

Publicising certain production units as models effectively introduces a measure of competition, particularly among units engaged in similar activities. Not only can it point out weaknesses in other units, but it also exerts pressure on these units to emulate and do as well as the model. Since success is attributed to a 'revolutionary spirit' and to 'putting politics in command', failure to do as well as the model implies that the other enterprises may be lacking these 'red' qualities. In one case, the Maoming Petroleum Company has even been openly criticised for not matching Taching's accomplishments.¹⁰ Maoming itself published an article in *Renmin Ribao* (*People's Daily*) admitting that though Maoming was opened about the same time as Taching and even had superior equipment, its development lagged because it did not conscientiously 'implement Chairman Mao's revolutionary line'. It then said that Maoming's recent production successes were due to efforts in the past few years to learn from Taching.¹¹

Two of the most prominent models are the Tachai agricultural brigade in Shansi Province and the Taching oilfield, supposedly in Heilungkiang Province. Both were first praised in 1964 as part of the Socialist Education Movement in Mao's slogan, 'In Agriculture, Learn from Tachai. In Industry, Learn from Taching'. Tachai is mainly a model for agriculture. It is noted for its spirit of self-reliance and persistence in terracing, irrigation and flood control activities in the face of several destructive natural disasters.

Taching, on the other hand, is more than a model for industry alone. In propaganda, the 'spirit of Taching' in development is often cited to represent an admirable approach to tackling the problems of development under difficulties such as the lack of proper or modern equipment, the use of all available resources, and organisation for maximum use of all human resources. Though Taching is praised as

an important oilfield providing an estimated one-third to one-half of China's crude oil, equal attention is lavished on Taching's social organisation and agricultural activities. It is more Taching's approach to solving the problems of development



Location of the Taching Oilfield

Sources: Chien Yuan-heng, 'Communist China's Taching Oilfield', *Fei-ch'ing Yen-chiu* (*Studies on Chinese Communism*), I, No. 2 (28 Feb. 1967), p. 58.
 Theodore Shabad, *China's Changing Map, National and Regional Development, 1949-1971* (New York: Praeger, 1972), p. 238.
Zhongguo Ditu Ce (*China Map Booklet*; Peking: Map Press, 1966), p. 9.

than Taching as an enterprise that makes it one of the most comprehensive and best publicised models of development in China.

Early History of Taching

Though the discovery, location, and early development of Taching have not been publicised by China, information available from several different sources is sufficient to put together a reasonably comprehensive picture of Taching's background. The major uncertainty is how the field was discovered. That the Chinese have remained silent on this point may support the generally held suspicion that Taching was actually surveyed and discovered in collaboration with the Russians in the late 1950s.

Most of the available information about Taching comes from the report of a mainland refugee in Taiwan who supposedly had worked in the Chinese petroleum industry. He told Taiwan authorities that the Taching basin was first investigated in 1956, perhaps with Soviet and Hungarian aid, in a geological survey and seismic prospecting.¹² A study of the Chinese petroleum industry based on Russian, Japanese, Taiwanese, and Chinese sources also concluded that Russian experts and equipment were responsible for the discovery of Taching.¹³ A researcher in Hong Kong claimed that the area was investigated in 1955 in the first use of aerial survey and mapping, but did not mention any Soviet aid.¹⁴

Despite some disagreement about the location of Taching's administrative centre, most sources have located the oilfield in the same general area. The first hint of its location was the election in 1964 of Wang Chin-hsi, Taching's famous 'Iron Man', as a deputy from Heilungkiang to the Third National People's Congress.¹⁵ In 1967 the mainland refugee in Taiwan revealed that Taching was between Tsitsihar and Harbin in the Sung-Liao plain in the south-western part of Heilungkiang Province. It covered an area extending from Ma-chiyao and Hai-lun south-west to Ta-an and Fu-yu, with An-ta as the administrative centre.¹⁶

This location was confirmed by Theodore Shabad's geographical study of the area. He noticed that in 1960 An-ta had been raised from a *hsien* town to city status. In addition, several new railway lines had been laid through the area, presumably to transport oil to refineries in the south without increasing the already heavy load on the Harbin-Mukden line.¹⁷ An Austrian who visited Taching in 1966 reported that it was about four and a half hours by train north-west of Harbin.¹⁸ Assuming he were taken to the administrative centre, this would mean the centre was at An-ta.

The editor of *Current Scene* located Taching around Saerhtu and Taikang, both to the north-west of An-ta and linked by the Tsitsihar-Harbin line, with headquarters at Saerhtu. He said that locally Taching was called the Saerhtu Field.¹⁹ Apparently, to maintain secrecy, Taching was a code name given to the whole

group of oil sites around An-ta, and each site was known locally by a different name. In one of her *Letters from China*, Anna Louise Strong gave the impression that the oil sites were so widely dispersed that the oil workers lived in dormitories at the sites while working and only occasionally went home to their families.²⁰

Drilling at Taching started in 1958 with the arrival of a large group of veteran oil workers from the famous Yumen oilfield (Kansu Province) and personnel from the People's Liberation Army (PLA). Some reports claimed that it was the military who opened and developed Taching. Because of the strategic importance of petroleum, PLA soldiers and veterans probably did make up a large percentage of the early group of workers, but there was no evidence that the PLA exercised official control over the oilfield from the time it opened. In fact, Han Suyin said that it was only after Lin Piao's clean-up of the Army that 'control of *all* oil and petroleum resources came into Army hands'.²¹ In 1958, Taching was under the jurisdiction of the Ministry of Petroleum and was administered by the 'Sungliao Prospecting Bureau' in Saerhtu headed by Kang Shih-en, then a Vice-Minister in the Petroleum Ministry.²² Exploration and drilling work was directed by veteran workers, such as the much publicised Wang Chin-hsi, who had come from oilfields in Kansu and Szechuan.

The first well was sunk on 30 September 1959, on the eve of National Day, hence the name Taching meaning 'Great Celebration'. From then, development was rapid. After the Sino-Soviet split, when China began to suffer from an acute shortage of oil, there was pressure to emphasise speed first and technology second in developing the new oilfield. In a little over a year's time, the Chinese had plotted the surface area (an estimated 20 by 50 km)²³ and reserve (estimates range from about 85.5 to 120 million metric tonnes)²⁴ of the oilfield. Fortunately, the wells were relatively shallow, with an average depth of 1,000 metres, and required only an average of two weeks to drill one well. In 1961, crude oil production at Taching was estimated at 600,000 metric tonnes. By the next year, estimated production had jumped to one million tonnes.²⁵

At this time the workers' families began arriving at Taching. According to Miss Strong, the early group of workers had lived in tents, stables, and even holes in the ground. Now they had to face the problem of how to build up Taching. The usual method had been to follow the Soviet model of building an 'oil city' several miles from the oilfields to which the city was attached. Chinese reports said the workers rejected this idea. Since the fields were far apart, commuting would have been very troublesome, to say nothing of the expense of building up urban centres in several different locations. Instead, the workers decided to follow Mao's Wuhan directive and attempt to build Taching as a self-sufficient commune centred around an industry. In the early 1960s, while the rest of the country was recovering from the failures of the Great Leap Forward and the commune movement, Taching em-

barked on a path of socialist construction following those very Maoist policies from which the rest of the country was retreating.

Taching was organised as a single municipality with unified administration of oilfield and municipality. It had a people's council whose members were elected both by the residential areas and by the oil workers.²⁶ To prevent differences in living standards from developing, it integrated workers and peasants by combining city and countryside. Instead of planning a major urban centre, residential points were scattered and constructed close to work sites. Several such residential points were then situated around a central town to form a cluster administered by a committee of women residents. In 1973, there were over 100 such residential areas at Taching.²⁷

The residential point, perhaps corresponding to the production brigade level of an agricultural level commune, ran its own primary school, mess hall, medical clinic, and small general store. The central town held the administrative offices, hospital, secondary school, tractor station, post office, department store, and other services. One of the clusters, called Chengyu Town, has often been described in Chinese reports and was visited by Miss Strong in 1966. It consisted of six residential points and two central towns and had a total population of 3,800, with an average of 300 households in each residential area.

Because communal living was attempted on a large scale there, Taching has often been referred to as a commune. While the men worked at oil sites and even raised small crops on empty land there, family dependants at the residential points were organised to work in small-scale factories, develop agriculture, and operate such services as nursery schools, schools, medical clinics, public canteens, banks, and even road building and maintenance. As Miss Strong reported:

The organization of family members in Taching contains not only wives but the adolescent children and the aged dependants of the oil workers; less than a third of them are listed as 'able-bodied.' Of these, however, more than ninety-five per cent take part in various kinds of productive work.²⁸

Students on the half-study and half-work system also laboured in the fields and factories. All these family dependants were paid annually in work points computed on the total income from all the enterprises they operated.²⁹

By organising the women for agricultural work, Taching people were able to cultivate tracts of land between oil sites and residential areas to take advantage of Heilungkiang's rich lands. The soil was especially favourable for wheat, soya beans, sugar beet and flax, and suitable for the highly mechanised agriculture for which the north-east is well known. Photographs of Taching showed its agriculture to be mechanised and carried out on a large scale on relatively flat land. Supposedly, Taching was able to become practically self-sufficient in food. In 1965, the first year for which figures were available, the family dependants alone cultivated 33,000 acres and produced over 20,000 tonnes of grain and 15,000 tonnes of vege-

tables.³⁰ Several hundred more people were involved in raising horses, donkeys, cattle, pigs, sheep, poultry, and fish fry. Officially, in 1967, Taching began to sell grain to the State. By 1970, according to a Japanese reporter who visited there, they were cultivating 67,000 acres and raising 30,000 tonnes of grain annually.³¹

With reports of such achievements coming from Taching, it was no wonder that Mao adopted Taching, along with Tachai,³² as one of his main model enterprises. In April 1964, China announced that she had become self-sufficient in oil mainly because of the development of the new oilfield. That same year Taching was publicised for the first time and, together with Tachai, became the production model in Mao's Socialist Education Movement. From 1964 to 1966, newspapers were filled with stories of what the people at Taching had accomplished, especially in resolving the 'three great contradictions', while relying only on their own efforts and initiative. 'Iron Man' Wang and several energetic family dependants were invited to Peking to receive honours for their achievements. Taching was said to have been successful because the workers had put 'politics in command'.

At the oilfield, an oil refinery was completed in 1965 after only a year and a half of construction. Production increases at Taching were given only in percentages. In the first eight months of 1966, crude oil production had increased 26.5 per cent over production in the same eight month period the previous year, and Taching was estimated to have produced about four million metric tonnes of oil in 1966.³³ Even agricultural production had shown great increases. Output of wheat per *mou* went up 30 per cent over 1966, and rice yielded 1,000 *catties* per *mou*. At this time, Taching probably came under the control of Lin Piao's reformed PLA.³⁴

Taching During the Cultural Revolution

Through all of 1966 news of Taching continued to fill the newspapers and periodicals, including scholarly journals such as *Jingji Yanjiu* (*Economic Research*). Late in 1966 reports about the Cultural Revolution at Taching started to appear. Taching was also advanced in carrying out revolution. Some units were said to have begun working a six-hour day to give the workers more time to take part in activities of the Cultural Revolution. The 1 October edition of *Hongqi* (*Red Flag*) announced that Taching workers 'have written several thousand big character posters, dragged out the small handful of rightists who are anti-Party, anti-socialist, and opposed to the thought of Mao Tse-tung, and won a major victory in the great cultural revolution'.³⁵ Despite all these activities, the workers had successfully completed by 22 December all their targets for 1966 (the first year of the Third Five Year Plan) for capital construction, drilling, and crude oil production. Then, in the 1 January 1967 issue of *Hongqi* it was said that: 'Of late, the working masses of Taching have set up their revolutionary fighting organizations one after another,

and the raging fire of the great proletarian cultural revolution has been set ablaze at Taching'. Soon after, serious troubles must have developed at Taching, for after January, the official press suddenly became silent on Taching. Until Taching came back into the news late in 1968, reports of events there were mainly from Japanese journalists who were able to read Red Guard posters in Peking.

The first report of trouble came from *MTI*, the Hungarian news agency, early in December 1966, when the Cultural Revolution was moving into industry and mines. It said that Red Guards were attacking the Taching Party Committee and that authorities in Peking were surprised since the personnel there had good reputations.³⁶ In January 1967, Japanese observers told of a newspaper printed at Taching and posted on Peking walls accusing the Taching Party Committee of running Taching as a 'private kingdom' and deceiving Mao and the Central Committee about their real activities.³⁷ These disturbances at Taching corresponded to the January Revolution in Shanghai following Mao's orders to revolutionary rebels to 'seize power', with the help of the PLA, from those in control. The response of many workers to this call was undoubtedly based on economic dissatisfaction. The Cultural Revolution Group, including Ch'en Po-ta and Chiang Ch'ing, had specifically addressed themselves to contract workers, temporary workers and apprentice workers to rebel against the low wage worker systems binding them.³⁸

In defence, the Taching Party Committee gave the workers bonuses and advanced wages and encouraged them to go to Peking to present their grievances directly. On 10 January, according to the Japanese press, Chou En-lai met with the representatives of the Taching workers. Afterwards, he condemned the leaders at Taching for instigating 10,000 worker-students to leave Taching and travel to Peking 'to exchange revolutionary experiences'.³⁹ Late that month the New China News Agency revealed that Taching leaders had attempted to undermine the revolution by giving the workers supplementary wages, subsidies and other welfare benefits. NCNA claimed that the workers had returned all these to the State, but this implied that at one time the workers had accepted and enjoyed such benefits. Later, when Taching had regained its model status, Chinese propaganda accused Liu Shao-ch'i of appointing these troublesome leaders as his agents at Taching after his visit there in the early 1960s.⁴⁰

It is possible that the workers who went to Peking were part of the worker-peasant system.⁴¹ Since Taching had a unified administration over both the municipality and oilfield, Taching leaders could easily have adopted this system which began to be implemented on a large scale throughout China from 1964 to 1965. New workers at Taching, in agriculture or the ancillary industries, came under the work point system like the family dependants. If, in the off-season, they were transferred to work in the oil enterprise, they would still be paid according to work points. This was a likely cause of great resentment since it meant that veteran

workers at the oilfields were paid substantially higher wages by the State for their classification in priority work than the workers. According to Miss Strong, wages based on work points were less than one-third of the oil workers' wages.⁴² This probably motivated the workers to go to Peking to complain about low wages.⁴³

Although crude oil production somehow reached record levels and Taching was even said to have completed its part of the Third Five Year Plan (1966-70) by 1968, two years ahead of schedule, disturbances at the oilfield continued through 1967 and even into the spring of 1968. Conditions were at their worst in the spring and autumn of 1967 when 'class struggle was acute and complex at Taching'.⁴⁴ Enough information came out to show that the situation was indeed complicated, but it was insufficient to give a clear picture of the issues and factions involved.

During the 'February Adverse Current' of that spring, the main question was the status of old cadres who had been attacked during the 'seize power' movement. Should they be included on the new revolutionary committees and three-way alliances then being formed at all levels throughout China? Red Guard newspapers revealed that Chiang Ch'ing had reproached revolutionary representatives from Taching for Taching's failure to criticise Yü Ch'iu-li, the Minister of Petroleum, who was accused of being anti-Maoist and of appointing old friends to posts at Taching.⁴⁵ She told them Taching should stop supporting the 'February Adverse Current' to restore old cadres. The problems at the oilfield during spring were probably related to this issue of reinstating former cadres against the opposition of revolutionary rebels.

Another factor in the disturbances was the uncertain role of the PLA. For the 'seize power' movement the PLA had been ordered to help the revolutionary rebels. At the same time, as the main force in the three-way alliances, they were responsible for maintaining order and production in the economy. Since the PLA tended to take these responsibilities more seriously than revolution, they were forced to rely on the experience of old cadres. Through the spring, as they failed to gain power, the revolutionary rebels became increasingly impatient with the PLA.

By August, this struggle between the PLA and the revolutionary rebels had turned to violence at the Taching oilfield. Japanese press reports said the workers and PLA there had been instigated by local Party leaders to revolt against Mao. Posters in Peking said Liu Feng-mei, an anti-Maoist and head of the district's Military Control Commission, was attacking the revolutionary faction with a force of 10,000 'conservatives' from Taching and 3,000 more from Tsitsihar.⁴⁶ Apparently, conservative workers were joining with their PLA supervisors to maintain order and production. These conflicts, plus the departure in January of 10,000 worker-students to Peking, caused serious work stoppages at the wells and contributed to the general oil shortage in China in 1967.

That autumn of 1967, with Mao denouncing any attacks from the left on the

army, the PLA succeeded in restoring order at Taching to protect oil production. On 16 December NCNA reported that production was progressing well, a Revolutionary Great Alliance and Revolutionary Three-Way Alliance had been formed, and PLA units had become actively involved in production. At the same time, Peking Radio announced that anti-Mao activities at Taching had been eliminated. The Taching revolutionary committee was, according to a Hong Kong communist newspaper, established on 31 May 1968. This was rather late considering that Heilungkiang was among the first provinces to establish a committee in January 1967.

Recently, the activities at Taching during the Cultural Revolution have been viewed as being 'ultra-leftist' instigated. It was the May 16 Group which criticised Yü Ch'iu-li (Minister of Petroleum) in the spring of 1967⁴⁷ and again, in the spring of 1968.⁴⁸ In both instances, Chou En-lai tried to protect Yü, who was concurrently a vice-Premier in the State Council under Chou. The second defence, in a speech on 7 April,⁴⁹ preceded the formation of Taching's revolutionary committee and may have influenced its timing and its composition of committee members.

As early as mid-1969, many former cadres purged during the Cultural Revolution were already being reinstated at Taching. Subsequently, the opposition of some workers to the return of cadres they themselves had purged was also labelled as 'ultra-leftist' inspired.⁵⁰ With the return of experienced cadres, perhaps the idea of production first was again being emphasised at the oilfield. The years 1970 and 1971 were hailed as banner years in production for the Chinese petroleum industry. Chou En-lai told Edgar Snow that the Chinese produced 20 million metric tonnes of crude oil in 1970. Of this total, Taching supplied about one-half, or 10 million tonnes.⁵¹ In 1971, Taching's estimated production was between 13 and 15 million tonnes.⁵²

Taching Under Criticism

More serious than the reports of disturbances were the accusations of 'revisionism' and 'economism' levelled at Taching.⁵³ This may explain why Mao dropped Taching as a model in 1967 after reports came from Heilungkiang about a situation at Taching of which he had been completely unaware. If material incentives and capitalist management methods had indeed played a major role in the success of Taching, it would cast serious doubt on the Taching 'spirit of self-reliance' and the feasibility of Taching as a model. Also, it would raise the question of whether Liu Shao-ch'i's more pragmatic methods of economics were necessary to achieve Mao's goals.

When Taching returned to press notice in 1968, events there during the Cultural Revolution were often explained as a struggle to combat Liu's 'revisionist' influence.

They said early in Taching's development, Liu not only appointed his agents to leading posts at the oilfield, but had even gone to Taching himself to promote his 'revisionist trash' of the 'dying out of class struggle', 'production first', and 'material incentives'.⁵⁴ With the help of the PLA, the workers finally ousted the 'capitalist roaders' Liu had stationed there to implement his 'counter revolutionary revisionist line in industrial management'.⁵⁵ In February 1969 *Renmin Ribao* announced that the former evil system of administration had been replaced with a 'revolutionary system of administration', referring, perhaps, to the revolutionary committee. It seemed that up to their overthrow during the Cultural Revolution Taching leaders had been emphasising production first, and not revolution. Also, there were reports that heavy State investments and not self-reliance were responsible for the rapid development and high productivity at Taching.⁵⁶

Such reports should not have come as such a surprise. It would have been naive to think that politics, and not economics, would be in command in developing Taching at that critical time. In the early 1960s, China could not afford to give 'local initiative' or revolutionary fervour free play in such a vital industry. The Soviet Union had stopped exporting petroleum to China and in the West an embargo prevented China from buying petroleum. Taching had to start supplying large amounts of crude oil as quickly as possible. Without efficient management and technical expertise, this would have been impossible.

There were charges that Taching leaders had relied on material incentives such as high wages and bonuses and all sorts of free services to motivate the workers. In Strong's account of the working women at Taching, she mentioned some of their husbands' salaries. The husband of a fifty-year-old woman who was just called an oil worker made over 200 yuan a month. Another, a high grade carpenter, probably in his early thirties, was paid over 100 yuan a month. Average wages were over 90 yuan a month, compared to a national average of about 60 yuan.

The family dependants were paid in work points whose value depended on the total income of all the enterprises they operated. The pay for their full-time work came to about 30 yuan a month, approximately the wage of a starting worker in industry. One woman said she earned 287 yuan in 1965. Compared to incomes of commune members in three other parts of China,⁵⁷ an annual income of 287 was above average. There were also many free services provided for the community, such as electricity, gas, running water, bus travel within the complex, barbers, bath houses, etc.

In the case of the oil workers, their high wages did not necessarily represent material incentives specifically related to working at Taching. Under the 1956 wage reform which was still operative and which, in the early 1960s, even included bonuses, there were higher wages for workers in critical industries, in isolated areas, and on technical staff. The oil workers at Taching certainly qualified under

each of these categories. Furthermore, most of them were part of the large group of good veteran workers who had been specially selected from other oilfields to work on developing this vital new one. Their age and experience naturally entitled them to higher wages. Their wages, in turn, pulled up the average for the whole oilfield. From the available evidence, we cannot confirm or deny whether workers at Taching were paid material incentives over and above the high wages to which they were then legally entitled.

One reason the Taching workers may have seemed considerably more affluent was that total family income was high because most family members were working and receiving incomes. Since the residential areas were newly created communities, people were needed to work in agriculture, in service industries, and in newly established small-scale factories, such as the chemical fertilisers factories. With many scattered residential points, services had to be duplicated in each area. These workers were paid only in work points, but the highly mechanised nature of their agriculture, on very fertile soil, yielded incomes above the average for most agricultural workers in China.

Although total family income was very high, this again could not be interpreted as purely the result of material incentives. The charge of material incentives was more likely than not just indiscriminately levelled at Taching on the basis of its superior economic condition by the time of the Cultural Revolution. In fact, all this merely confirmed Mao's claims of the economic advantages of communisation. Certainly, no one had denied that life at Taching in the early 1960s had been filled with hardships. Miss Strong gave several examples of dependants who could not bear the hardship and wanted to leave Taching. Although the State was supposed to have invested heavily in Taching, the funds were for oil production, and the dependants had to make the best with what was available in their sector.

The residents had to use the local tamped earth to build their own homes, schools, and other buildings. Even work at the oilfield normally done with machines such as moving heavy equipment and laying underground pipes, had to be done manually, until machines arrived later. Before the dependants acquired tractors, probably around 1964 and 1965, they worked in the fields with spades and hoes. Nor was there any evidence that the State had provided the tractors free. The increase of personal savings deposited in Taching banks from 40,000 yuan in 1964 to 260,000 yuan in July 1966,⁵⁸ should suggest that Taching was making enough profit to buy them from their funds.

From 1969, Taching has regained its model status. The propaganda now claimed that although the struggle had been acute during the Cultural Revolution, the workers had put Mao Tse-tung Thought in command of everything, learned from the PLA to build the oilfield politically, and applied the principle of combining centralised leadership with a strictly scientific approach. It was said that: 'Chairman

Mao highly valued the experience of the Taching Oilfield, and issued the great call to the people throughout the country: "In Industry, Learn from Taching".⁵⁹ This shows that Taching basically had achieved Mao's ideals for development, and that Mao had not considered the charges of revisionism and economism serious enough to nullify Taching as a model.

Taching's Internal Contradiction

A crucial aspect of the Taching oilfield emerges from its activities during the Cultural Revolution. Despite its resolution of the 'three great contradictions', Taching itself is labouring under a major contradiction between ideology and economic expediency. The resolution or non-resolution of this basic contradiction is ultimately the test of Mao's economic policies.

On the one hand, the oilfield is a State-owned enterprise and comes under the direct control of the State. On the other hand, the whole Taching complex comprises a single municipality with its own combined municipal and enterprise administration. Since petroleum is classified as a strategic good which remains under central control, resolution of this contradiction in administration presents a major problem. If anything, the disturbances at Taching during the Cultural Revolution, which caused work stoppages and aggravated the oil shortage in China, probably confirmed the government's need to maintain direct control over oil production.

This contradiction divides Taching into two separate sectors, the oil sector and the dependants' sector. The oil sector emphasises the 'centralism' aspect of democratic centralism in its organisation and State control. It is not only directly under the Ministry of Petroleum, but also subject to greater PLA participation. As a technologically advanced enterprise, it depends upon and absorbs more State investment funds. Here, economic goals such as rapid growth and high productivity hold priority over political goals. This means a higher degree of work specialisation and higher wages for workers.

The dependants' sector operates more under the 'democratic' part of democratic centralism. Committees of local residents play a larger role in organisation and decision-making. Because the economic and political administration of this sector is combined, there is a more balanced approach to achieving both economic and political goals. A prominent feature of this is collective ownership. Family dependants operate the factories, services, and all agricultural activities. Collective incentives are emphasised because work points are based on the total income from all their enterprises.

These two sectors function separately, but they are related by the ties of family members in each sector. Generally the two sectors can coexist with little interchange, but when they do interact, the consequences may be quite serious.

If this contradiction were partly responsible for the troubles during the Cultural Revolution, then its non-resolution may be a source of future conflicts. For example, as factories there continue to grow, they will present two problems. Firstly, larger-scale factories involve more complex administration and eventually require specialised staff with management skills. Such a change reduces worker participation in decision-making and reintroduces the problem of maintaining collective spirit and incentives.

Secondly, with larger factories and a growing population at Taching, more of the present students and youth will replace the original family dependants in the fields and factories. All of them, including the men, will come under the Taching municipal administration. This means they will be paid in work points. Should they be transferred to work in the oil sector during the off-season, they would still come under the work point system of remuneration, and their wages would be much lower than wages of permanent oilfield workers. Since the oil workers are employed by a State-owned, priority enterprise, their wages will be much higher.

This contradiction also means that Taching has a split image as a model. For maximum propaganda effect, the Chinese have merged them into one, implying that what they say of one sector applies to all of Taching. When they wish to speak of high productivity, they may boast of the high level of crude oil production, and talk vaguely about the revolutionary spirit of the workers and their bringing politics to the fore. Very little is said about the State's role in providing capital to develop the oilfield, or of the experience and technical expertise of the workers hand-picked to develop Taching. According to NCNA, over 90 per cent of the State's investment in Taching went to the oil sector. Self-reliance played a minor role in developing this part of Taching.

When the propaganda speaks about self-reliance, resolution of the 'three great contradictions', and socialist construction and organisation, it is actually referring to the rest of Taching which does not come under the State umbrella. The 'Taching spirit of self-reliance' refers to the original family dependants who built up this sector by their own efforts, while the oil workers, except for occasional visits home, seem to have had little to do with it. The value of Taching as a model comes primarily from this sector.

Interestingly enough, this sector closely resembles the ideal of communes visualised by Mao. Though the official propaganda has never referred to Taching as such, Red Guard posters from the Cultural Revolution, and even Chou En-lai, always spoke of it as the Taching commune. Developed from 1959, when the rest of the country was retreating from the commune movement, Taching may have represented Mao's attempt to keep alive the idea of communes and to show they could function well. If so, Mao still faced opposition, since Liu Shao-ch'i was also accused of deriding the women's efforts to reclaim wasteland for cultivation as 'spoil-

ing the grassland'.⁶⁰ This might also explain why Taching's fall from prominence was only temporary. Once a revolutionary committee had been established, Taching was reinstated as a leading model of Maoist development.

Taching as a Model

To evaluate Taching as a model, it is necessary to consider both the propaganda and the less favourable reports which came to light during the Cultural Revolution. To the Chinese people, whose knowledge of Taching is limited to what they read in newspapers and magazines, Taching represents a spirit of industrial development which they are to emulate. The emphasis is on 'self-reliance' in seeking solutions to problems and not relying on foreign knowledge or practice and on rapid growth with high productivity and overfulfilment of economic plans.

Because of its internal contradiction, however, Taching's value as a model rests primarily on the achievements in the dependants' sector. Its organisational similarity to the commune raises it beyond simply an industrial model to a model for agricultural communes as well. As such, Taching may have been Mao's attempt to continue experimenting with communal organisation. Taching presented the opportunity to develop a commune under controlled conditions with the oilfield as an industrial base for security.

Taching's success in the dependants' sector demonstrates the economic advantages of communisation and the relationship between economic and social organisation. Unlike most communes, Taching is more progressive in that it has no private plots, provides many services, and operates factories producing such diverse items as wines, electric bulbs, tar paper, transistors, and chemical fertilisers. Its agriculture produces more than enough food for its residents and yields a surplus for sale to the State. With increasing mechanisation in agriculture, more labour will be released for industrial development. Enterprises which initially started as small- to medium-scale factories could expand to absorb the increase in labour. When needed, factory workers could help in the fields, and in the off-season, agricultural workers could be employed in the factories. Such achievements lend support to Mao's policies for providing for a large population, while, at the same time, involving the whole population in the development effort.

Despite Taching's triumphs, the feasibility of its experience for all of China remains questionable. From the propaganda alone, it is clear that Taching is, after all, a special case. Precisely because it is a new enterprise, Taching did not encounter the problems which confronted the communes when they were first organised. Starting from scratch under emergency conditions, it was possible to plan and control Taching's physical development and organisation with little opposition. Collectivisation was easier because all the residents were new settlers. The planners did not

have to deal with former possessions or with existing villages and towns which may not have been as easily organised for the convenience of oil sites. The flat and fertile Heilungkiang land was suitable for mechanised agriculture, whereas for many parts of China, mechanisation is not yet practical.

Most importantly, Taching was based on a major industrial enterprise. It not only provided well-paid employment for at least one member of every family originally sent there, but also by-products which could be processed locally, thereby creating more employment opportunities. Because the oil wells were spread over a wide area, oil workers generally lived at the sites and went home only occasionally. Their absence, along with the opening of nurseries to care for children, made it possible to organise the family dependants for work in the fields and factories.

Such ideal conditions for Maoist development are not common in China. Like Yanan, where Mao's policies were first formulated, Taching's success is due largely to the controlled conditions under which it was developed. With peace and a growing prosperity, the requisite atmosphere of sacrifice and urgency becomes difficult to maintain. In addition, existing conditions and the level of development vary immensely from area to area. This limits the applicability of the Taching experience as a model for the opening of relatively undeveloped or sparsely populated regions. Thus far, it has been mainly other mining enterprises which have been encouraged to develop in the Taching pattern.

To the vast majority of factories and communes, Taching is a model for a few select policies relevant to their circumstances. Factories may put more emphasis on indigenous methods or such original solutions to problems rather than rely on foreign practice. For communes, Taching's experiment in providing free services, which had failed during the commune movement, may demonstrate how the system can be successfully implemented. The solutions to Taching's problems can provide guidelines for future policy.

Taching's experience in implementing Mao's policies provides a basis for evaluating the effectiveness of these policies for China. Indeed, Taching's success has shown that, ideological justifications aside, these policies have an economic validity for China's conditions. The three Maoist policies discussed at the start of this paper strike at what development economists in the West have begun to realise are crucial issues in development.

The practice of looking at change and development in terms of contradictions has taught the people to analyse situations and to realise that with careful analysis every problem can be solved. Although it appears simplistic, it has been able to explain development to the people. Furthermore, by presenting the goal of development as the resolution of the 'three great contradictions', Mao has been able to make his political and social goals an integral part of economic development.

The striking accomplishments of the dependants' sector demonstrate the advan-

tages of organisation and communes. For China, whose primary factor of production is labour organisation, ensures a more efficient use of labour. Although there are street committees, neighbourhood operated factories and services, and other organised activities throughout China, few areas have achieved the degree of organisation of Taching. In a relatively relaxed period when there is no sense of urgency it is difficult to maintain total organisation without opposition or resistance from the people. Despite the advantages of strict organisation, it appears to be most effective when reserved for occasional mass campaigns in health work, irrigation projects, or other large-scale works.

The Chinese leadership is becoming increasingly conscious of this fact. Communes have not been forced to attain the degree of collective ownership and production activities practised at Taching. Private plots and small private enterprise are tolerated on the communes. Gradually with mechanised agriculture and more local industry, communes may become as progressive as Taching.

In practice, the policy of self-reliance has mainly involved use of local resources instead of State resources, and the opening of small-scale local industries. This policy serves several purposes. It can introduce the people to industrial methods, save on State resources, and supplement scarce supplies of consumers' or producers' goods. In rural settings such as Taching, the establishment of factories, whether small- or medium-scale, is particularly essential to Maoist development. Building industries in the countryside decreases the differences between city and countryside and with increasing mechanisation in agriculture provides new employment possibilities. This prevents an exodus to the city, keeping the population close to the sources of food.

Despite its success and logic for the Chinese situation, the policy of self-reliance has a limited applicability. In the long term, the demands of a complex advanced economy will restrict self-reliance to the less developed sectors of the economy. As the example of Taching has shown, large State investments are necessary for the rapid growth of critical modern industries. In addition, regional autarky and lack of co-ordination hinder the efficiency and growth of the Chinese economy.

It may be argued that Mao is willing to sacrifice a maximum potential growth rate for a reasonably slower rate which would at the same time allow the attainment of his social and political goals. The case of Taching, however, suggests that the matter is not as straightforward as this. Mao's toleration of a dual level of administration at Taching provides two insights into his approach to economic development.

First, the fact that his policies are actually applied in only one sector of Taching, the non-strategic sector, indicates that Mao perceives their limitations on growth and has accepted the priority of growth in some cases. The division of the Taching

complex into two separate entities, disguised by a single image in propaganda, shows that Mao is more pragmatic and flexible than he would wish to appear.

Second, Mao has not been able to resolve the conflict between maintaining his revolutionary ideals and satisfying the demands of a complex, modern economy. The Cultural Revolution undoubtedly revived the importance of goals such as resolving the 'three great contradictions' and preventing an entrenched bureaucracy from abusing its power. Yet, recent trends suggest that emphasis is now on production rather than revolution. Compulsory study sessions and political meetings have been decreased so as not to interfere with production. Accounts of model factories now concentrate on their production activities. Cadres and officials criticised during the Cultural Revolution have been reinstated for their scarce skills.

In retrospect, Mao's policies were suited to the problems and requirements of the Chinese economy he inherited in 1949. The conflicting demands of an increasingly advanced economy, however, cast serious doubts on the continuance of these policies. At this point, Mao himself appears uncertain as to what policies would best combine his economic, political and social goals.

Notes

- 1 Dudley Seers, 'The Meaning of Development', Agricultural Development Council Reprint, September 1970, p. 3.
- 2 For a discussion of Mao's political application of the idea of contradictions to instil a habit of analysis, see Jack Gray and Patrick Cavendish, *Chinese Communism in Crisis, Maoism and the Cultural Revolution* (London: Pall Mall Press, 1968), pp. 59-60.
- 3 Mao Tse-tung, 'On Contradiction', *Selected Readings from the Works of Mao Tse-tung* (Peking: Foreign Languages Press, 1967), p. 72.
- 4 Stuart R. Schram, *The Political Thought of Mao Tse-tung* (New York: Praeger, 1969), p. 90.
- 5 Interestingly, the speech was delivered in April 1956, towards the end of the First Five Year Plan, when Mao was beginning to seek Chinese solutions to the specific problems of the Chinese revolution. During the Cultural Revolution, in December 1966, the Peking College of Economics published and in the same month reprinted a copy of the speech as an 'Internal Document', 'for study use'. This version of the speech is translated in Jerome Ch'en, ed., *Mao* (New Jersey: Prentice-Hall, 1969), pp. 65-85.
- 6 See Carl Riskin, 'Small Industry and the Chinese Model of Development', *China Quarterly*, No. 46 (Apr.-June 1971), pp. 245-73.
- 7 Franz Schurmann, *Ideology and Organization in Communist China* (2nd ed.) (Berkeley: University of California Press, 1968), p. 54.
- 8 For an analysis of their different conceptions of the role of models, see Harry Harding, 'Maoist Theories of Policy-Making and Organization', *The Cultural Revolution in China*, Thomas W. Robinson, ed. (Berkeley: University of California Press, 1971), pp. 132-4.
- 9 *Taching, Red Banner on China's Industrial Front* (Peking: Foreign Languages Press, 1972), p. 27.
- 10 *China Trade Report* (published by the *Far Eastern Economic Review*), May 1972, p. 10.

- 11 Party Committee of Maoming Petroleum Company, Kwangtung Province, 'Know Taching and Learn from Taching in the Course of Practice' (*Renmin Ribao*), 15 Dec. 1972, translated in *Survey of China Mainland Press* (hereafter, SCMP), 5047, pp. 91-9.
- 12 'Petroleum Industry in Communist China', *JPRS, Translations on China: Economic*, No. 36 (5 Dec. 1967), p. 37. Translation of an article in *Fei-ch'ing Yen-chiu* (*Studies on Chinese Communism*), I, No. 9 (Taipei, 30 Sept. 1967), pp. 52-7.
- 13 A. A. Meyerhoff, 'Developments in Mainland China, 1949-1968', *American Association of Petroleum Geologists Bulletin*, 54, No. 8 (Aug. 1970), p. 1568.
- 14 Chen Cheng-siang, 'China's Petroleum Resources and Their Development' (Hong Kong: Geographical Research Center, Chinese University of Hong Kong, 1968), p. 7.
- 15 'Heilungkiang Holds First Session of Third Provincial People's Congress', *New China News Agency* (hereafter, NCNA) (Harbin, 9 Oct. 1964), translated in SCMP, 3326, p. 2.
- 16 'Petroleum Industry in China', p. 36.
- 17 Theodore Shabad, *China's Changing Map, National and Regional Development, 1949-1971* (New York: Praeger, 1972), p. 272.
- 18 Kung-lee Wang, 'China's Mineral Industries in 1967: Victims of the Cultural Revolution', *Asian Survey*, IX, No. 6 (June 1969), p. 433.
- 19 'China's Taching Oilfield: Eclipse of an Industrial Model', *Current Scene*, VI, No. 16 (17 Sept. 1968), p. 2.
- 20 Anna Louise Strong, *Letter from China*, Nos. 44-5 (Peking: New World Press, 15 Dec. 1966).
- 21 Han Suyin, *China in the Year 2001* (Harmondsworth: Penguin Books, 1970), p. 139. Audrey Donnithorne wrote: 'On account of the military importance of petroleum supplies, the Ministry [of Petroleum] has close links with the People's Liberation Army: the [1966] Political Commissar of the Army's Rear Services Department was formerly Minister of Petroleum, a position subsequently filled by his predecessor as Political Commissar', in *China's Economic System* (New York: Praeger, 1967), p. 248.
- 22 *Current Scene*, p. 2. According to the refugee, this name was changed to 'Sungliao Petroleum Administration' in 1964.
- 23 Meyerhoff, 'Developments in Mainland China', p. 1569.
- 24 Ibid. Meyerhoff estimates a range with a minimum of 85.5 million metric tonnes to a possible maximum of 164.4 million metric tonnes. Ho Ko-jin in Taiwan estimated reserves of 120 million metric tonnes, in 'Peiping's Petroleum Industry', *Issues and Studies*, IV, No. 11 (Aug. 1968), p. 28.
- 25 Chien Yuan-heng, 'Communist China's Taching Oilfield', *Fei-ch'ing Yen-chiu* (*Studies on Chinese Communism*), I, No. 2 (28 Feb. 1967), p. 59. Chou En-lai gave Edgar Snow figures of China's petroleum production which were 40-50 per cent higher than Western estimates. Chien's figures may be taken as a conservative estimate.
- 26 Strong, *Letter from China*, p. 2. It is uncertain what level of administration this municipality is. The word used in Chinese reports is *shih*, meaning city. Miss Strong notes that like other municipalities, Taching has an elected peoples' council which chooses a municipal committee to serve for two years.
- 27 'New Type Socialist Oilfield—Fourth in a Series on Taching', NCNA, English Service, from US Foreign Broadcast Information Service, Daily Report: People's Republic of China, 8 Jan. 1973, p. 5.
- 28 Strong, *Letter from China*, p. 7.
- 29 'Taching Oilfield, Taching Spirit', *China Pictorial*, No. 7 (July 1966), p. 28.
- 30 Strong, *Letter from China*, p. 7.
- 31 Robert Crabbe, 'Tight Veil of Secrecy over the Taching Oilfield', *South China Morning Post* (Hong Kong), 27 Oct. 1971, p. 13.
- 32 The Tachai agricultural brigade in Shansi Province, noted above.
- 33 Chien, 'Communist China's Taching Oilfield', p. 62.
- 34 Han Suyin, *China in the Year 2001*, p. 169. She wrote: 'Already [during the Socialist Education Movement] the Taching oil wells and plants, . . . were wholly or in part manned or staffed by PLA or ex-PLA men', and (p. 139) 'The control of all oil and petroleum resources came into Army hands'.

- 35 Wang Chin-hsi, 'Strive for Greater Victory in Revolution and Construction', *Hongqi*, No. 13 (Oct. 1966), translated in *Survey of China Mainland Magazines* (hereafter, SCMM), No. 548 (31 Oct. 1966), p. 4.
- 36 'Taching Revolt Threatens China's Oil Supplies', *China Notes* (Hong Kong), No. 225 (Aug. 1967), p. 2.
- 37 Ibid.
- 38 Philip Bridgham, 'Mao's Cultural Revolution in 1967: The Struggle to Seize Power', *China in Ferment: Perspectives on the Cultural Revolution* (New Jersey: Prentice-Hall, 1971), p. 123, reprinted from *China Quarterly*, No. 34 (Apr.-June 1968), pp. 6-37.
- 39 'Model Enterprises Lose Their Status', *China Notes*, No. 206 (15 Mar. 1967).
- 40 'Notes on the Taching Oilfield', *China Reconstructs* (Dec. 1968), p. 38. Liu may have visited Taching in 1961, along with Chiang Ch'ing, for the dedication of oil wells to Mao, Chou, and himself.
- 41 For an explanation of the worker-peasant system, see 'Sources of Labor Discontent in China: The Worker-Peasant System', *Current Scene*, VI, No. 5 (15 Mar. 1968).
- 42 Strong, *Letter from China*, p. 7.
- 43 'Taching Revolt Threatens China's Oil Supplies', p. 2.
- 44 Yi Shan, 'At the Taching Oil field', *Peking Review*, No. 30 (23 July 1971), p. 9.
- 45 'The Premier, Po-ta, K'ang Sheng, Chiang Ch'ing and Central Leaders on Attitude toward February Adverse Current Being a Major Issue of Right and Wrong', *Kuangchou Hung-tai-hui* (Canton Red Guard Congress) (3 April 1968), translated in SCMP, 4164, pp. 1-3.
- 46 'Oil Sabotage Aggravated by Transport Chaos', *China Notes*, No. 253 (29 Feb. 1968).
- 47 Thomas W. Robinson, 'Chou En-lai and the Cultural Revolution in China', *The Cultural Revolution in China*, Thomas W. Robinson, ed. (Berkeley: University of California Press, 1971), p. 224n. With the fall of Lin Piao, a member of the May 16 Group, the way was cleared for the return of Yü. In October 1972, he was identified by NCNA as the Minister of the State Planning Commission. Previously, in 1965, he had been a Vice-Minister of this Commission.
- 48 *Kuangchou Hung-tai-hui*, in SCMP, 4164, pp. 1-3.
- 49 'Premier Chou's Important Speech on April 7', *I-yueh Feng-pao* (January Storm, Canton), No. 26 (May 1968), translated in SCMP, 4189, pp. 1-9.
- 50 'Workers and Discipline', *China News Analysis*, No. 769 (15 Aug. 1969), quoting *Renmin Ribao*, 14 June 1969, p. 1.
- 51 Crabbe, 'Tight Veil of Secrecy over the Taching Oilfield'.
- 52 'Annual China Review', *Far East Trade and Development*, 27, No. 10 (Oct. 1972), p. 440. If Taching supplies about one-half of China's oil production this would be a fair estimate in light of T'ang Ko's (a Vice-Minister of the new Ministry of Fuel and Chemical Industry and formerly a Vice-Minister in the Ministry of Petroleum) remark to Canadian officials in September 1972 that China produces about 30 million metric tonnes a year.
- 53 For our purposes, we may define 'revisionism' as sacrificing the long-term goals of the Chinese Communist revolution for solutions to short-term problems (after Gray and Cavendish, *Chinese Communism*, p. 82). 'Economism' may be defined as the use of high wages, bonuses, and benefits as material incentives.
- 54 'Taching Oilworkers Hail Party Communique', NCNA, English Service (8 Nov. 1968). In an interesting article, Mary Sheridan speculated that 'Iron Man' Wang was actually a model worker promoted by Liu to represent the old image of a good and selfless cadre, as opposed to Mao's models of young PLA fighters as living applications of Mao thought, in 'The Emulation of Heroes', *China Quarterly*, No. 33 (Jan.-Mar. 1968), pp. 47-72.
- 55 'Notes on the Taching Oilfield', p. 38.

- 56 'China's Taching Oilfield: Eclipse of an Industrial Model', p. 7.
- 57 Dick Wilson, 'In the Chinese Communes', *Far Eastern Economic Review* (hereafter, *FEER*), 7 May 1964, p. 292. Wilson visited two above average communes in 1964. On a Peking commune, the annual income for a strong man was 320 yuan. On a Shanghai commune, an average member received 241 yuan. In 'A Kwangtung Commune', *FEER*, 17 Dec. 1964, pp. 564-7, Derek Davies said the estimated wages there for 1964 were 200 yuan.
- 58 Strong, *Letter from China*, p. 8.
- 59 'Mass Movement to Learn from Taching Oilfield Promotes New Leap in China's Industry', *NCNA*, English Service, 15 Dec. 1971.
- 60 'Taching, Red Banner on China's Industrial Front', p. 29.

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