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REVOLUTION AND CHINESE TRADITION
IN YENAN COMMUNISM

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I. Introduction

Since I came to Stanford in August, I have found so many interesting and new Chinese sources that the time has seemed to me very short indeed.* Among the most important sources I have read here is the Hoover Library's presumably unique file of the Emancipation Daily (Chieh-fang jih-pao) of Yenan which, although it has been here on open shelves for ten years, has scarcely been looked at up until now. And so this evening I want to discuss Yenan, the Yenan government, and the Chinese Communists' behavior during their "Yenan period", 1935—1947.

But reading newspapers, especially Communist newspapers, is a risky business. In the first place, you will inescapably become partial. Everybody knows that newspapers, especially partisan publications, are issued for propaganda and indoctrination. Yet as you read an old newspaper file, week after week, even if it is a paper of an alien country and ideology, you gradually come to have a strange feeling, as if you were living in the same time and place as the people who originally read the paper. As innumerable details of the everyday life of the Government, towns, villages, and common people pass before your eyes, you cannot avoid sympathies and antipathies. You know that the newspaper is affecting your judgment, but you will still love or hate various of the individuals and groups whose lives you have been reliving. In the second place, for all their bulk and miscellaneous detail, newspapers often omit crucial information which is essential to comprehension of the situation as a whole. For these reasons, I am not going to try to do more this evening than report a few observations which strike me as interesting and which I believe I can relate to certain broad generalizations about Chinese society and its revolution.

It has often been said that Maoism is the Chinese version of Marxism-Leninism, but in saying this scholars have usually been concerned with the ideological setting, with patterns of thinking and comprehension. This evening I want to treat the same subject in its social setting, with attention focused on political mechanisms and socio-economic behavior. And I also want to ask not merely whether or not Maoism is in this context Chinese, but also to what degree and in what specific respects it is Chinese.

In doing this I have examined Maoism in operation in two different settings; one the Shensi-Kansu-Ningsia Border Region, with its capital at Yenan, the other the guerrilla

* This paper was originally presented to the Seminar on East Asian Thought and Society at Stanford University on November 21, 1957. It represents a report on a portion of research done at the Hoover Institution in the three months preceding its presentation. I am also indebted to Professor Mary C. Wright for assistance in preparing my English manuscript.
bases and the guerrilla field areas strung out all over North China. In the Yenan area, the Communists held unquestioned, central, orthodox power, and I submit to you that they behaved like good Chinese, Confucian rulers. In the guerrilla areas, they were in a minority. And so they fought the Japanese and the Nationalists, organized all disaffected elements in society, agitated the landless peasants against the landlords; in short, they behaved like good rebels, in the mainstream of Chinese tradition. My purpose in pointing to the differences between these two sets of attitudes is to suggest the normal and natural patterns of Chinese communist behavior in two stages, one before and one after the successful revolution. I have tried to show that Chinese communist behavior was very Chinese in both stages. Lest I be misunderstood, let me say that of course it was also communist, but this will no doubt come out in the discussion later.

First, however, let me summarize the immediate background of the Yenan Period. In the late autumn of 1935, a portion of the Chinese Communist Army—according to Communist sources 7,000 men, according to the Nationalists 5,000,—led by Mao Tse-tung finally reached Pao-an in Shensi after a gruelling 13-month march from Jui-chin in Kiangsi. In this area, a few counties had been held by Communists—the Red 26th army,—since 1930 or 1931,—but no detailed information is available. Their leader was a native of Shensi who had returned home after the failure of several abortive revolutionary uprisings in the South. In November 1935, after Mao's arrival, these various areas were reorganized into three small "provinces" and two special districts, all under the administration of a new "Northwest Office of the Chinese Soviet."

Although the Red Army was now too weak to constitute a threat to the Nationalist Government, its very weakness encouraged the government to attempt encirclement and final victory. In these circumstances, Japan's continued invasion of China was most opportune for the Communists. Instead of sitting and waiting for annihilation, they seized the opportunity to demand publicly that the Nanking regime stop the civil war and form an anti-Japanese united front to save the Fatherland. Although this demand was first made from Jui-chin in 1933, the 1955 Chu-Mao declaration was much stronger, and propaganda for it became increasingly intense in 1936 and 1937. As is well known, this call to united patriotic resistance had an enormous effect throughout the country, not only on students and intellectuals but on newly formed and apparently non-communist organizations in all the big cities, and on the Manchurian Army under Chang Hei-chiang, which having been driven out of Manchuria by the Japanese, had become the spearhead of the Nationalist attack on the Red Army in the Northwest. When Chiang Kai-shek was kidnapped in Sian by the Manchurian army, he escaped alive only by promising to form a united front.

Negotiations on the terms of the United Front proceeded rapidly in 1937. On February 10, the CCP Central Committee proposed by telegram:

1. That in all parts of the country, armed uprisings against the Nationalist Government should cease.
2. That their Soviet's name be changed to "Border Region Government," under the jurisdiction of the Nationalist Government.
3. That the Red Army be henceforth designated merely a numbered unit of the National Revolutionary Army, (that is the Nationalist Army) and that it operate under command of the National Military Council.
4. That general elections be held to establish democratic administrations throughout
the Border Region.

5. That land confiscation and redistribution cease.

The Kuomintang wanted more than this, and its Central Committee countered with a resolution calling for the complete dispersal of all former units of the Red Army; for administration of the former Soviet Areas by regularly appointed officials of the Nationalist Government; and for abandonment of the principles of Communism as incompatible with Sun Yat-sen's Three People's Principles.

With the outbreak of full-scale war in July 1937, the CCP repeated its proposal of February, adding its willingness to help unify the administration of the entire country and to work for the realization of the Three People's Principles. Now agreement between the CCP and the Kuomintang was quickly reached. In rapid steps, the Northwest office of the Chinese Soviet promulgated an election law, held an election, and became the Shensi-Kansu-Ningsia Border Region Government, with headquarters at Yenan. On its part, the National Government appointed the long-time communist leaders Lin Tsu-han and Chang Kuo-tao as chairman and vice-chairman of the Border Region Government. Similarly, the National Government appointed Chu Te and P'eng Te-huai to the command of the newlynamed Eighth Route Army of the National Revolutionary Army. The Eighth Route Army was assigned to the Second War Zone, under the command of the old warlord of Shansi, Yen Hsi-shan. Subsequently, the Communist troops which had remained south of the Yangtze under the command of Yeh T'ing and Hsiang Ying, became the New Fourth Army. Its commanders remained the same, and it was assigned to the Third War Zone under the Nationalist General Ku Chu-t'ung.

Thus, once again the Chinese Communist Party was a legal party, entitled to be represented in numerous newly established national and regional organizations such as the National Defense Advisory Council, the People's Political Conference, and so forth. And the Red Army was free to spread all over the North China Plain, building guerrilla bases from Shantung to Suiyuan. All this was based on the Communist promise of:

1. Political democracy—meaning representative government, with due protection of citizens from arbitrary acts of administrative agencies.
2. Economic reformism—with allowance for private enterprise and traditional landlordism under mild controls.
3. Recognition of the legitimacy of the National Government as the government of all China.

So much for introductory material. It is against this background that I want to discuss the following points:

1. Yenan Democracy, by which I mean the actual relations among Party, Government, and people.
2. The Party Reform Movement.
3. Economic conditions in the Shensi-Kansu-Ningsia Border Region, in relation to the economic policies of the Yenan Government.

II. On Yenan "Democracy"

Following the Chinese Communist pledge of February 1937, the Northwest Office of
the Chinese Soviet promulgated an election law in May, two months before agreement was reached with the Nationalists on the terms of the United Front. Every person in the area over 18 years of age—with the exception of criminals, collaborators, and the mentally ill—was given the right to vote and was made eligible for election to office. According to this law, representative assemblies were to be elected on three levels: (1) The Administrative Village Council (Hsiang ts'an-i hui), with 1 representative for every 30 of the population, (2) The County Council (Hsien ts'an-i hui), with 1 representative from every 700 of the population, and (3) The Border Region Council (Pien-ch'ü ts'an-i hui) with 1 representative from every 5,000 of the population. The council at each level was to select the administrative officials at that level.

In addition to selecting the Chairman and the Political Commissioners of the Border Region Government and the president of the highest court, the Border Region Council was given the power to investigate and discharge any administrative official, to approve or disapprove the budget and all laws or regulations proposed by the government, and to hear and advise the government about any proposals coming from the people.

These stipulations appear radically democratic, but, although an election was held in July 1937 resulting in the establishment of the Border Region Government, we have no detailed information about this first election. My conclusions therefore are based on accounts of the second election in 1941, the third election in 1945, and various accounts of the proceedings of the Councils at the three levels. On the basis of these sources, I should like to call your attention to the following points:

1. Every person over 18 was supposed to be eligible for office, but this was by no means true, for a candidate had to be nominated by “an anti-Japanese political party” or a professional organization. The CCP was the only political party tolerated in the Border Region and there were no professional or labor organizations other than those formed, guided, and supported by the Border Region Government. The few newspapers and periodicals were all Communist. So in fact all candidates were elected by the Party and Government. When it came to the election itself, the Government propaganda bureau managed both the campaigns and the polls, and every cent of expenses was paid by the government.

2. Eighty-five per cent—occasionally ninety per cent of the population of the village was illiterate. In some cases, the so-called secret ballot was actually a show of hands in a public assembly. Where ballots were written, they were usually written by influential local activists, especially in the 1941 elections. The character of these elections was not greatly altered by the introduction in some guerrilla bases in 1945 of a more “democratic” system whereby the illiterate voter dropped a bean in a box behind the chair of the candidate of his choice.

3. Campaigns were marked not by keen contest, but by enormous government propaganda drives. For example, in the 1941 election 116 campaigners were recruited from the Party cadre school. After 36 days of intensive training by party leaders, they were divided into groups of four or five and sent into each county. There the county government assembled officials, party cadres, school teachers, and mass-organization leaders from all levels down to the village, to be educated by the campaigners from Yenan. From the “course” at the county level,—on which documentation is available—local leaders absorbed the party line on specific current issues—for example the need for increased savings in
peasant households to check the rapid decline of the value of Border Region banknotes in 1941. The local leaders who had been educated at the county level then went back to their scattered districts, villages, and organizations and in turn educated others to educate others, to educate others. In the end, there was a total of 8,700 campaigners in the 1941 election.

In the light of all this, I think it quite safe to say that Yenan’s version of representative democracy lacked not one but both of the essentials of representative democracy as this is understood in the West. Of course there was no protection for civil rights; my point here is that neither was there any mechanism designed to encourage popular participation in politics.

Michael Lindsay concedes both these points, but argues that in the Communist (or, as he calls it, the “Eastern”) meaning the Yenan government was democratic in the sense that its leaders believed that through Marxist-Leninist principles they were determining the real interests of the people with absolute certainty, (here I agree with him) and further, that although the Marxist-Leninist base remained firm, Chinese Communist leaders were much more flexible than their Russian or Western comrades in their sensitiveness to public opinion and in their willingness to negotiate and compromise—in short that they discarded the essentially military features of the Leninist doctrine which had proved suited to the period following the October Revolution but had proved a grave handicap in ordinary government.

With this latter I agree, but only in part. Lindsay seems to identify the Yenan Government with the Communist Party. But if we look at them separately, I believe that we can discern some additional and important elements in Yenan “democracy” that have been overlooked. I feel that the Party—or at least Mao Tse-tung at the summit, really wanted to let the people participate in power, to get rid of corrupt or overly authoritarian or doctrinaire officials and party workers, to use only men of the finest quality in administration, and to work toward the Party’s final goal with a minimum of popular discontent and strife. The Party’s decision to limit the number of Communist Party members to 1/3 of the total in both representative and administrative bodies was obviously designed to restrict the privileges of lower Party cadres. And I believe that the Party was quite serious in encouraging discussion and criticism, not of basic principles of course, but of specific government measures, so to refine them and adapt them to popular opinion.

But is all this a sign of incipient democracy in Yenan Communism? The Yenan Government and the lower cadres might perhaps be compared to the literati-bureaucrats of the period before the Revolution of 1911, and the Party head, Mao Tse-tung, to the Emperor. The Emperors of China were always very eager to get the finest men assigned to the proper posts. And they were also concerned that the whole state machinery operate according to the real interests of the masses, which they also claimed to know better than the masses themselves. According to their Confucian principles, they, and only they, were agents holding the Mandate of Heaven, precisely for the purpose of serving the interests of the masses according to their certain knowledge of the people’s true interests.

In brief, Yenan democracy was in no respect democratic in the traditional Western sense, and to say that it is a variation of communist democracy is not the whole story. It was also very “Eastern”, very Chinese, almost Confucian. The points at which it may superficially appear that Communism in China was softening to allow a few tendencies toward Western democracy are in fact points at which the Chinese authoritarian tradition was being reasserted.
III. On Party Reform

So much has been written on the ideological and political implications of the cheng-feng or party reform movement that I do not think it necessary to go into detail here. But I want to raise two points: (1) the time element, or chronological sequence, and (2) the manner in which the program was actually carried out. As we consider these, some distinctly Chinese, traditionally Chinese traits emerge.

It was on February 1, 1942, at the lecture hall of the Central Party School in Yenan, that Mao Tse-tung inaugurated the Cheng-feng movement in the party by attacking irregular tendencies in study, party, and literature. Mao's proposal may have sounded a little abrupt to some of the audience, but actually several resolutions had already been passed beginning in July 1941. One of these had urged the necessity of investigating more carefully war-time conditions in the camp of the enemy, among friends, and within the Party itself; another had stressed the importance of strengthening the Party spirit among party members by training and self-cultivation. The former called not only for accelerated research but for a broader mind in general party work—observant, realistic, and sensitive to public feeling. The latter aimed, among other things, at the abolition of individualistic defects and decentralizing tendencies among Party members and stressed a reinforcement of unity by group disciplinary training and individual self-cultivation. There was a certain consciousness of weakness, a vague but unmistakable feeling that some measures should be taken to reorganize and invigorate the Party's power over the people.

As you know, the CCP was facing the following difficulties in the autumn of 1941:
1. Political and strategical weaknesses: inevitable decentralization in the guerrilla bases and consequently an increasing dependence of the army on the good will of the non-partisan populace.
2. A rapid growth in party membership, accompanied by a diversification in social class, intellectual level, fundamental feeling of life, and standards of values, with sectarian tendencies an inevitable result of this diversification.
3. The Soviet-German war and the fierce German attack on Leningrad: the apparent vulnerability of the Soviet Union at this point, it has been argued, made the CCP more circumspect and respectful in its attitude toward the Chinese Nationalist government.

Undoubtedly each of these factors influenced the CCP line in 1941 and 1942. There was, however, another factor which seems to me at least as important as these others were: the fact that the Shensi-Kansu-Ningsia Border Region Government felt compelled to try to collect a sharply increased agricultural tax in kind for the fiscal year beginning in October 1941 (see chart No. 1). From the latter half of 1941 an acute shortage of food was felt all over the Border Region. I think that this may have had some connection with Mao Tse-tung's decision to inaugurate the Party Reform Movement.—I will return to economic conditions later.

Meanwhile, once Mao proposed Party reform on February 1, 1942, the movement was pushed fast, feverishly, and systematically. On February 8, a week after Mao's first report, the Propaganda Bureau of the CCP called for a cadre assembly at Yenan, where Mao and K'ai-Feng, the propaganda chief of the party, elaborated on the evils and intolerability of
Pary-formalism, Sectarianism, and Subjectivism. On the same day, an official manual for propaganda workers was published in the Emancipation Daily. A month later, on March 8, K'ai-feng not only denounced Party formalism, but also demanded a general overhaul of Party organs and departments from this viewpoint. On April 3rd the Propaganda Bureau of the government passed a resolution on Mao's February 1st report and this was published on April 8th in the Emancipation Daily. The publication of this resolution in the official newspaper meant that not only propaganda workers but all Party organs and schools must proceed at once to carry on the movement according to the schedule ordered.

The resolution ordered first a period of study and re-education for all party cadres: two months for those in Party schools, three months for other party cadres. After that, the investigation of the work done was to commence. The length of the period of investigation was to be determined by the schools and other organs themselves. Equal importance was to be given to guidance from above and to the development of a positive spirit at lower levels. The final conclusions of discussion and investigation had to be approved by superior organs. Important conclusions had to be approved by the CCP Central Committee. Once the conclusions were approved, of course they had to be carried out in practice.

In order to ascertain whether or not the cadres had correctly understood the content and meaning of the documents and decisions, a general examination was given by the government. A list of 22 orthodox texts was published, 16 Chinese and 6 translations from Russian, mainly from Stalin. These were the basis of study and examination, and the choice demonstrated remarkable attention to problems of discipline and investigation.

On April 20, the North China Bureau of the CCP ordered that the April 3rd resolution on the overhaul of party organs be applied throughout the guerrilla areas of north China. The party organs, at all levels and everywhere, were to have a period of study and debate on the same 22 "classics" for a period of 5 months, from May 1 to September 30. After that a general examination was to be held in the guerrilla war areas also.

In the Shensi-Kansu-Ningsia Border Region, the objects of re-education were at first cadres mainly from the city areas of Yenan, but on May 20th the scope of the movement was expanded to include all Party and government workers in the countryside; the city cadres were summoned to advance deep into the masses and villages. They were on the one hand to enlighten and guide those lower country members, but on the other they were to take account of current problems and the experience gained by local workers in their struggles.

This was a preparatory measure; on June 20, 1942, the Northwest Bureau of the CCP formally ordered all the country and special district officials of the Border Region to study and to debate upon the same 22 "classics" for 6 months, from July 1, 1942 to January 1, 1943.

All this clearly indicates that Party workers were now expected to adopt a considerate and persuasive attitude toward the people. Moreover, a dynamic and fresh style in the arts and literature was required. Nonetheless, the final aims of Party reform remained centralization, discipline, and unity; flexibility was allowed only in the method of attaining these aims.

This study aimed not only at intellectual comprehension but also at the earnest and sincere recultivation of character and the formation of new behavior patterns. This shift from a "science" or theory, through an interest in its practical application, to an ethic and
a personal philosophy, is, as David Nivison has pointed out, very Chinese. But the final result
of this ethical struggle was determined in advance by the Party. Both the philosophy and the
ethic lacked the creative elements which were essential components of revolution in the
Western tradition. The whole set-up had a distinctly Chinese “feel”: State-controlled and
state-encouraged study of state-defined orthodoxies; the more-ethical-than-intellectual notion
of study and one without any really dynamic element in it; state-planned and state-conducted
examinations, with appointment to office following according to their results.

Of course the ultimate purpose was anti-Confucian and Communist, but the measures
taken to attain it were clearly rather Chinese than Communist. In this we can see the
shrewdness of Maoism, and its historic role.

The ideological implications of the Party reform movement, in terms of both Marxist
and Confucian thought, have been studied already; but to look at the movement also as a
political and social device and to examine certain institutional and behavioral uniformities
between it and the Chinese context, seems new to me. Professor Nivison’s fine analysis
pointed out that in the movement, the new writers of the new regime, in developing the
new thought, tended to incorporate into it important elements from the Chinese intellectual
tradition. He pointed out, for example, that the emphasis on the close and direct connection,
the identification even, between thought and practice was very Chinese and late-Confucian:
Wang Yang-ming-ian. I agree completely, but would go further. I feel that the traditional
elements in the Party reform movement were not confined to ethics. The whole political
and social set-up of the movement was very Chinese, very Confucian.

IV. On Economic Construction, Labor Organization, and Taxes

The most widely and for centuries accepted token of good government in China was
that it ensured the common people a certain level of economic welfare. A general fall in
living standards was politically dangerous. Always confronted by the impact of population
growth and the possibility of famine through natural disasters, the dynasties had two
choices: (1) to lead the people to expand production, or (2) to reduce governmental and
court consumption so that lower taxes would allow the people to save a part of the crop
for emergencies.

In spite of a gradual development in agricultural and manufacturing productivity, which
cannot be denied, there was never a radical change of productive relations in toto. In-
dustrialization and mechanization were not attempted until the late 19th century, and even
then most of the efforts failed. Therefore to decrease consumption, rather than to increase
production, was always the chief means of maintaining balance. Hence simplicity of life
and frugality were always regarded as the first requirement for a good ruler.

But this requirement, always asked, was not always answered. In that case, the inevi-
tably slow growth in production was easily offset by population growth and governmental
consumption. Frequent wars, floods and droughts aggravated the situation. There was
nearly always a great mass of desperately poor peasants. The resulting political and social
unrest forced all governments to take preventive measures against rebellion. But these, by
increasing governmental expenditure, increased the tax burden, and therefore accelerated the
unrest. Similar vicious cycles were started by attempts at modernization and westernization
in the late Ch'ing and early Republican periods, for economic innovation, in China as elsewhere, required capital. Since the general level of production was too low to permit the private and voluntary accumulation of capital, accumulation was possible only through fiscal mechanisms designed to absorb the private surplus by law or force. The traditional tax system, which persisted even after 1941 in most of unoccupied China, added to the difficulties, because, as you know, the central government received less than was collected for it by the province, the province received less than was collected for it at the local level, and the actual tax collector at the bottom often got his job by making the highest bid on the revenue he could turn over, with no one knowing anything about how much he actually collected from the peasant.

When the Communists settled in the Shensi-Kansu-Ningsia Border Region, the conditions there were in general quite similar to those of the ancien régime just described. The area was a small patch of very dry and barren land, thinly populated and with only one fifth to two fifths of its arable land cultivated. Altogether it included only 2.5% of the area of China proper, only 1.5% of the population; it contained less than one third of the population of Shensi province. The only non-agricultural parts of its production were salt from one dry lake, a little oil from one poorly explored well, a bit of iron from three still less explored mines, and a few thousand small, primitively equipped shops for carpet-making, skin tanning, and vegetable oil extracting. Spinning and weaving were usually cottage industries. Numerous articles of daily use—paper, glass, matches, thread, cloth, not to mention arms and ammunition—had to be imported from the more industrialized areas of the south and east.

The first thing the Border Region government tried to do was to increase production, not by forced capital accumulation and new investment, but by raising the productivity of existing mechanisms, mainly by what Nurkse has called “investment in kind.”

This does not mean that the government was not interested in obtaining capital to expand the bases of production, but merely that the difficulties were enormous. A 1941 invitation to the Chinese in other parts of the country and overseas to invest in the area’s industrial development met with little response, and the effort was soon dropped. It was even more difficult to obtain state capital through taxation, for it was very clear that the peasants had no significant surplus after they had paid the “enlightened and reasonable” cereal and hay taxes in kind which the government was already levying for its current consumption.

The People’s Bank printed paper money and made a few loans to provide minimum equipment for the shops that supplied the government and army with clothes and blankets, and it made a few agricultural loans for capital expenses. But as the Japanese and Nationalist blockades hindered the import of capital goods, a paper money inflation and a general price rise followed.

For these reasons, the only course open to the CCP was to find ways to raise production with almost no capital. A big production movement was announced in February 1939, and was pushed harder after the bad harvest and sharp tax increase of the autumn of 1941. Not only peasants, but reserve soldiers, town dwellers, and officials were exhorted to irrigate and reclaim uncultivated land. Immigrant colonists from the Nationalist and Japanese areas were offered initial subsidies and tax exemption for three years to try to meet the great demand for manual labor for land reclamation. I have here (see chart No. 2) a table
showing the rapid expansion of cultivated land in 1939 and 1940, and then a sharp drop in the rate of expansion, despite the Party’s exhortations. The reasons for this are as follows: in 1941 and 1942, when the harvests were even poorer than usual, agricultural taxes, which had been rising slowly, were suddenly more than doubled. It was rumored that there was worse to come. In these circumstances, eagerness to do the heavy manual work of land reclamation declined.

The government now had to find some inexpensive stimulant, and especially from the Spring of 1942 there was much talk of “raising the productive ardor of the people,” through programs of honoring “labor heroes.” The Wu Man-yu movement was named for a hard-working and obedient peasant who had settled down near Yenan in 1928. By 1941 he had reclaimed 15 acres of a barren hillside, which enabled him easily to pay more than his full tax, public loan installment, and other contributions. He was honored by the President of the Border Region Government before a mass assembly and was given fabulous presents. A torrent of spoken and written words and pictures pointed out the lesson to every inhabitant of the area.

Although a number of other labor heroes were similarly honored, the incentive may have been insufficient. Other types of production drives were tried. In the “Spring plowing movement,” every body—including women, children, townspeople, and ‘village loafers’—were urged to get into the fields. The government declared that for the whole spring of 1942 this work would be deemed superior to all other tasks and that mobilization of the people for any other activity, except militia training, must be stopped or cut to the minimum. Similar drives for cutting grass, and so forth, followed.

Beginning in 1943, traditional practices in regard to labor exchange were carefully studied and publicized, and this was the beginning of the producers’ cooperative movement, which aimed at producing twice as much food as needed for consumption.

The determined attitude of the Party and government, and the general excitement which accompanied the rapidly growing movement remind me of the agricultural collectivization of 1955—56. Yet although the results were still inadequate to the needs of the government, the government never tried to use force. Rather, Chu Te proposed the re-institution of the ancient t’un t’ien system of using garrison troops to cultivate unused land, and government and party personnel were ordered by the Northwest Bureau of the CCP to get to work themselves in the “Production Struggle.” In 1944, it was reported that 50% of the increased production of that year was the result of labor by army and party, and the total amount of grain which the state apparatus produced for itself was 170% of the total amount of grain it collected from the peasants. This policy was continued until after the end of the war in 1945, and furnished the material foundation for whatever good reputation the government may have enjoyed.

No detailed information on the fiscal policies of the Border Region Government is available. But even through such scarce and sporadic reports as we have, I think we can see the attitude of the communists as tax-imposers and tax collectors clearly enough. By a process on which time does not permit me to report, I have arrived at the budget for 1937—38 which you see on this chart (chart No. 3). Of course, I do not know whether or not this was the exact balance, but for a number of reasons, I feel quite certain that the balance was quite similar to this in its general nature and composition. The point to note is that in that year, and if my assumptions are correct, up to the end of 1940, approximately
half the revenue was derived from foreign aid which passed through nationalist territory, and even so there was probably a deficit. Then, with the effects of the stoppage of remittances as KMT-Communist relations deteriorated compounded by a simultaneous fall in agricultural production, taxes soared. One would not expect the official papers to announce that the tax burden had become intolerable, but numerous reports and announcements began to reflect a guilty conscience and a vague feeling of unease on the part of the authorities, as tax collectors met with passive resistance, as desperate poverty was publicly reported, and as abnormal migration out of the area began to occur.

The government’s reaction was on the one hand to immediately lower agricultural taxes and on the other to take sharp police measures against secret societies, religious groups, and other traditional focal points of popular rebellion. Movements against the government were severely repressed, but in punishment a clear distinction was made between the ring-leaders and the common people who had been led astray. You will all, of course, have recognized in these measures perfect replicas of the age-old policies of the Chinese throne.

In summary, so far as Communist doctrine allowed, the Border Region Government behaved just like a good Confucian government. In some cases it even modified the imported doctrine to make way for a traditional good policy. The Party’s thought and behavior were authoritarian, but authoritarian not only toward the common people, but toward government officials and the lower ranks of the party itself. It assumed that it knew where the people’s real interests lay, but it did not insist on the pursuit of these in doctrinaire fashion. Rather, the party showed a genuine eagerness to collect information about actual conditions among the people, and tried to respond quickly to their hopes and fears. The Party wanted badly to build up industry, and could show in Marxist terms that this was in the real interests of the people. But when there was popular protest against the forced savings this would require, the program was dropped. The Party was severe in suppressing fundamental opposition, but it also behaved as a patron of the common people, protecting them from invaders, from official corruption, from social injustice, from any exploitation by the rich and powerful.

I believe that the manner in which the CCP behaved in power in Yenan is more Confucian than Communist, in spite of the fact that, on paper, Marxism-Leninism has replaced the Mandate of Heaven as the sanction of the good ruler; and that in this lies the key to understanding the evident popular acceptance of Maoism.

But did the Communists behave the same way in the guerrilla bases, where they were not in power? No, they did not. They did not behave like good rulers there. They behaved like good Chinese rebels. Time does not allow me to discuss what I see as the main types of local dissidence, and the intricate but consistent way in which CCP policy toward rebels depended on how close the Communists were to power in a given area at a given time. Liu Shao-ch’i laid the problem out very clearly; in the assured Shensi-Kansu-Ningsia area, full orthodoxy; in the guerrilla bases, a discriminating balance between support and suppression of the host of native but desperate revolutionary elements; but in the outlying guerrilla field areas, full collaboration with all anti-governmental forces. This statement of Liu Shao-ch’i, who is undoubtedly the leader of the doctrinaire left wing of the CCP, may strike some of you as merely an obvious piece of Marxism-Leninism. But I wonder whether the specialists on China here may not see, even in Liu Shao-ch’i, some of the hallmarks of a shrewd Chinese rebel.
Chart I

Budget October 1937—September 1938: Shen-kan-ning Border Region

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salt and Custom Duty</td>
<td>Government Running Cost</td>
</tr>
<tr>
<td>591,000 BR$</td>
<td>1,176,000 BR$</td>
</tr>
<tr>
<td>Agricultural Tax</td>
<td>Others</td>
</tr>
<tr>
<td>422,000 BR$</td>
<td>1,518,363 BR$</td>
</tr>
<tr>
<td>Receipts from Government Enterprise</td>
<td>Surplus</td>
</tr>
<tr>
<td>180,000 BR$</td>
<td>17,000 BR$</td>
</tr>
<tr>
<td>Foreign Aid</td>
<td></td>
</tr>
<tr>
<td>1,518,363 BR$</td>
<td></td>
</tr>
<tr>
<td><strong>Total Receipts</strong></td>
<td><strong>Total Expenditure</strong></td>
</tr>
<tr>
<td>2,711,363 BR$</td>
<td>2,711,363 BR$</td>
</tr>
</tbody>
</table>

Source: Chi Li, pienchü shih lu, 1939, pp. 29–31; Chieh-fang Jih-pao, January 4, 1945.

Chart II

Agricultural Tax in kind to be collected in each fiscal year

<table>
<thead>
<tr>
<th>Year</th>
<th>Food 000 Shih</th>
<th>Hay 000,000 Chin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct. 1940—Sept. 1941</td>
<td>90</td>
<td>?</td>
</tr>
<tr>
<td>Oct. 1941—Sept. 1942</td>
<td>200</td>
<td>26</td>
</tr>
<tr>
<td>Oct. 1942—Sept. 1943</td>
<td>160</td>
<td>16</td>
</tr>
<tr>
<td>Oct. 1943—Sept. 1944</td>
<td>180</td>
<td></td>
</tr>
<tr>
<td>Oct. 1944—Sept. 1945</td>
<td>160</td>
<td>?</td>
</tr>
</tbody>
</table>

Source: Chieh-fang Jih-pao, Oct. 15, 1941; Mar. 30 and 31, 1942; Mar. 5, Oct. 27, 1943; Nov. 23, 1944.

Chart III

Land reclamation and land acreage of the SKN Border Region

<table>
<thead>
<tr>
<th>Year</th>
<th>Land Reclaimed (000 mou)</th>
<th>Land acreage (000 mou)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1936</td>
<td>—</td>
<td>8,431</td>
</tr>
<tr>
<td>1937</td>
<td>195</td>
<td>8,626</td>
</tr>
<tr>
<td>1938</td>
<td>358</td>
<td>8,984</td>
</tr>
<tr>
<td>1939</td>
<td>1,030</td>
<td>10,014</td>
</tr>
<tr>
<td>1940</td>
<td>1,030</td>
<td>11,044</td>
</tr>
<tr>
<td>1941</td>
<td>698</td>
<td>11,742</td>
</tr>
<tr>
<td>1942</td>
<td>669</td>
<td>12,411</td>
</tr>
<tr>
<td>1943</td>
<td>976</td>
<td>13,387</td>
</tr>
</tbody>
</table>