

seats in the recent election — its first. These seats are crucial for the LDP to fully control the management of the Diet and its key committees.

Fukuda will also face opposition from the industrialist Zaikai when he attempts to implement his austerity programs. Although they have apparently accepted Fukuda's success, the Zaikai know that expanded trade, especially with the Soviet Union and the Third World, is necessary for the revival of Japan's export-based economy. The first setting for this potential fight to break out will be early next year, when Soviet Foreign Trade Minister Nikolai Patolichev will visit Japan to renew offers for Japanese participation in the industrial development of the Siberian region of the Soviet Union — an action which the Zaikai support. In the past Fukuda has been a key opponent of such cooperation, following directly the policy of U.S. Secretary of State Henry Kissinger.

Moreover, the Fukuda government may fall victim to the same process that brought him to power — the Lockheed scandal and the "expose" institution that

scandal established in the Japanese political world. There are rumors in the Japanese press and elsewhere of a far bigger scandal looming in Japan, of which Fukuda is one of the central targets. Known thus far as the "Japan-ROK (Republic of Korea) connection," the scandal involves the extensive ties of corruption and political influence-buying between the Park dictatorship in South Korea and right-wing politicians in Japan who make up the ROK lobby. The leading figures in this lobby are Fukuda and the Class A war criminal, former Prime Minister N. Kishi. The Soviet news agency TASS reported an article appearing in the Japanese Communist Party paper Akahata last week detailing election campaign funds passed to right-wing Japanese politicians through South Korean conduits.

It is ironic that the initiation of the Korean bribery scandal in the United States which is sparking the same expose in Japan, has as one of its major purposes the withdrawal of U.S. troops from Korea — to be replaced by a remilitarized Japan. Pro-rearmament Fukuda may not last long enough to implement the plan.

## China To Purge Maoist Faction, Begin Reindustrialization

Dec. 29 — On successive days between Dec. 24-26, the Chinese Communist Party leadership delivered two major speeches before a 5,000 person Conference on Agriculture, and released a previously secret speech of Mao Tse-tung originally given on April 25, 1956. Taken together, the three speeches lay out the policy of the anti-Maoist ruling group: to rapidly purge from the Communist Party all former supporters of the Maoist faction and to develop the economy by mechanizing and upgrading agriculture, shifting more investment into long neglected heavy industry. The Chinese leadership will use the words of the "early Mao" of the 1950s to justify reversing most of the policies pushed by Mao in the 1960s and 1970s.

Below are excerpts from the speeches of Party Chairman Hua Kuo-feng on Dec. 25 and Politburo member Chen Yung-kuei Dec. 24. The selections from Hua's speech focus on his presentation of the damage done to the economy by the "gang of four" leading Maoists whom he purged on Oct. 7, and the destruction of the party and his proposed measures to rebuild it. The excerpts from Chen's speech, blacked out in the West, amplify the damage done to the economy by the Maoists, issues guidelines for cadre education, and discusses how agriculture is to be rapidly developed, centering on the question of farm mechanization. Excerpts from Mao Tse-tung's speech are appended which reveal how the speech is likely to be used to swing the pendulum of China's economy back toward heavy industry and centralization, despite Mao's original intent to the contrary.

Western press coverage of the speeches has been uniformly insipid, calling Mao's speech "an attack on the Soviet Union" and characterizing it as a call for leniency for the Maoist faction, when in fact he calls for a thorough overhaul of the party apparatus to weed out all Maoists. Together, the three speeches will unquestionably be read as a call to return China to the path of development it was on in 1956-57, before Mao intervened in the "Great Leap Forward" and the "Cultural Revolution" to derail the economy and party functioning.

### 'On the Ten Major Relationships'

Dec. 30 — The following are the key excerpts from the 1956 Mao Tse-tung speech which is currently serving as the keynote for the anti-Maoist factional struggle.

The problem now facing us is that of continuing to adjust properly the ratio between investment in heavy industry on the one hand and in agriculture and light industry on the other in order to bring about a greater development of the latter. Does this mean that heavy industry is no longer primary? It still is, it still claims the emphasis in our investment. But the proportion for

agriculture and light industry must be somewhat increased.

What will be the results of this increase? First, the daily needs of the people will be better satisfied; second, the accumulation of capital will be speeded up so that we can develop heavy industry with greater and better results.

The relationship between the central authorities and the local authorities constitutes another contradiction. To resolve this contradiction, our attention should now be focussed on how to enlarge the powers of the local authorities to some extent, give them greater independence and let them do more, all on the premise that the unified leadership of the central authorities is to be strengthened.

## Speech by Comrade Hua Kuo-Feng

*Exclusive to NSIPS*

*Hua Kuo-Feng, Chairman of the Central Committee of the Communist Party of China, speaking at the Second National Conference on Learning from Tachai in Agriculture on December 25:*

Comrades,

Our Conference is drawing to a close.

...The Conference is one of mobilizing the 700 million peasants to expose and criticize the Wang-Chang-Chiang-Yao "gang of four" thoroughly, of promoting in depth the movement to learn from Tachai in agriculture and to build Tachai-type counties throughout the country...

At this Conference, we have conscientiously studied Chairman Mao's brilliant work "On the Ten Major Relationships." The whole Party, the whole army and the people of all nationalities throughout the country should study this brilliant work conscientiously and in a thoroughgoing way. In 1956, bearing in mind lessons drawn from the Soviet Union, Chairman Mao summed up in this work China's experience, expounded ten major relationships in socialist revolution and socialist construction and set forth the basic ideas about the general line of building socialism with greater, faster, better and more economical results, a line suited to the conditions of our country....

What are the main fighting tasks for the whole Party, the whole army and the people of all nationalities throughout the country in 1977?

First, deepen the great mass movement to expose and criticize the "gang of four"...

For a long time, with the mass media under their control, the "gang of four" spread a host of revisionist fallacies, trampled on the fundamental principles of Marxism at will and tampered with and distorted Chairman Mao's proletarian revolutionary line and his various principles and policies. Metaphysics ran wild and idealism went rampant. The gang represented many correct things as incorrect and vice versa, reversed right and wrong, confounded black and white, and did cause confusion in people's thinking.....

*On "Gang" Takeover of the Party*

Second, strengthen Party building. It is necessary to carry out a movement of education in Marxist ideology throughout the Party, centering on the strengthening of the Party's unified leadership and democratic centralism and the promotion of its fine style of work, so as to build up our Party well.

The Party is the force at the core that leads everything. In complete betrayal of the basic principles of "three dos and three don'ts," the "gang of four" practiced revisionism, created splits and engaged in intrigues and conspiracies to undermine and disintegrate the Party, and ganged up to pursue their selfish interests and usurp Party power. In the few places and units where they maintained tight control and did much damages, unified Party leadership was impaired, all principles of Party life were trampled underfoot and the Party's fine style of work was sabotaged. New Party members were recruited in violation of the provisions in the Party Constitution, cadres were promoted in disregard of the five requirements put forward by Chairman Mao, and even bad elements were drawn into the Party and smuggled into leading bodies. Under the protection of the "gang of four," some brazenly asked for leading positions and grabbed power at every opportunity.... We must carry out extensive education among the Party members so that they will truly realize the seriousness of the harm caused by the "gang of four" on the question of Party building; they will understand the fundamental principle that the Party is founded for public interests, that the interests of the Party and the people are above everything else and that ganging up for private interests is not allowed; they will understand the Party rule that forbids the formation of any faction or secret group within the Party; they will understand the importance of unified Party leadership and Party discipline and the harm of anarchism; they will understand that Party members must uphold the proletarian Party spirit and oppose bourgeois factionalism; they will understand that Party cadres are all servants of the people and must in no case ask the Party and the people for higher posts and power....

The "gang of four" also spared no effort to undermine the democratic life inside the Party and suppress any criticism directed at them; they ran a "steel plant" and a "cap factory" to attack the revolutionary cadres and revolutionary masses. We must improve the democratic life inside the Party and among the people in accordance with the democratic centralist principles, let people air their views, let people criticize, allow the minority to reserve their differing views and strive to create a political situation in which there are both centralism and democracy, both discipline and freedom, both unity of will and personal ease of mind and liveliness....

Third, deepen the mass movements of *In agriculture,*

*learn from Tachai; in industry, learn from Taching and strive to push the national economy forward....*

*On Raising Living Conditions*

...Learning from Tachai and Taching means....launching mass movements energetically, bringing into full play the enthusiasm, wisdom and creativeness of the cadres and masses, unfolding socialist emulation campaigns and building socialism in a big way. Whether in industry or in agriculture, or in any other economic undertakings, we must follow the policy of building our country and running all our enterprises diligently and thriftily and rely on the masses, and systematize rational rules and regulations and improve and strengthen socialist economic management. We should encourage people to raise their cultural and technical levels for the sake of the revolution and to acquire proficiency in their work so as to be both red and expert. Leading cadres at all levels must persistently

take part in collective productive labour and eat, live and work together with workers and peasants. We must pay attention to the well-being of the masses and raise the living standard of the people step by step on the basis of increased production....

...We are determined to adhere to the Party's basic line for the entire historical period of socialism, enhance the great unity of the people of all nationalities throughout the country, wholeheartedly rely on the working class and the poor and lower-middle peasants, unite with other working people and the large number of intellectuals, further develop the revolutionary united front led by the working class, based on the worker-peasant alliance and embracing the patriotic democratic parties, patriotic personages, patriotic overseas Chinese and compatriots in Hong Kong and Macao, consolidate the dictatorship of the proletariat in China, work hard to build a powerful socialist country, and strive to make a greater contribution to humanity....

## Speech by Comrade Yung-Kuei

*Exclusive to NSIPS*

*On "Gang" Economic Sabotage*

A fierce struggle around whether in agriculture to learn from Tachai or oppose it has been fought over the past year between our party and the "gang of four".

We must see that interference and sabotage by the "gang of four" did cause great losses to the movement to learn from Tachai and to agricultural production, with still more serious consequences in places where Ogey intervened directly. Agricultural production in the six provinces of Yunnan, Kweichow, Szechwan, Fukien, Chekiang and Kiangsi suffered serious disruption in the past few years. In Wenchow, the most affected prefecture, the situation in many places deteriorated to such an extent that the land was divided up and the commune members had to go it alone. Polarization of rich and poor re-emerged, black markets became rampant and the collective economy disintegrated. Class enemies became arrogant, and the poor and lower-middle peasants were thrown into misery. There, the cadres who upheld the collective were stigmatized as "capitalist-roaders", "revolutionaries". The example provided by Wenchow shows that, if the "gang of four" had seized power, capitalist restoration would have emerged throughout the country, our country would have changed its colour and the people would again have been thrown into the abyss of suffering.

They rode roughshod over the people, ran wild and labelled and bludgeoned people at random. Anyone who learned from Tachai was stigmatized as "not grasping class struggle" anyone who carried out education in the party's basic line was labelled as "directing the spearhead downward" and "opposing the corrupt officials only and not the emperor" anyone who carried out consolidation of party organizations and rectification of the style of work was charged with "capitalist restoration" and "retrogression" anyone who dispatched work teams to the countryside was accused of

"pursuing a bourgeois reactionary line" anyone who stressed the centralized leadership of the party was accused of "supporting the capitalist-roaders and suppressing the revolution" and anyone who went all out to build socialism was accused of practising the "theory of productive forces".

"Metaphysics is rampant" with them. They pitted politics against economies, revolution against production, the relations of production against the productive forces and the superstructure against the economic base, in complete violation of Marxism-Leninism-Mao Tsetung thought.

*On Party Education*

In carrying out education in the party's basic line, it is necessary to do a good job of consolidating party organizations and rectifying the style of work. We should conduct Marxist education on a wide scale among the party members and cadres, wage active ideological struggle and more firmly uphold the three basic principles "practise Marxism, and not revisionism; unite, and don't split; be open and aboveboard, and don't intrigue and conspire". The problems of line, revolutionary drive, style of work and unity must be successfully solved and the influence of the "gang of four" must be eliminated politically, ideologically and organizationally.

The overwhelming majority of our cadres are good or comparatively good. Policies must be carried out to enable comrades who have erred, including those who have committed grave errors, to "learn from past mistakes to avoid future ones and cure the sickness to save the patient". It will be all right provided those who have made mistakes correct them. A relative stability in cadres must be maintained at the grassroots. The sabotaging activities of the landlords, rich-peasants, counter-revolutionaries and bad elements and new and old bourgeois elements must be resolutely attacked and

counter-revolutionaries and those who have mistreated people, destroyed things and looted must be dealt with firmly.

Education in the party's basic line should be carried out in a well-guided and systematic way under the centralized leadership of county party committees by the method of combining work both inside and outside the party, both in urban and rural areas and both at selected points and in entire areas. Effective work teams should be dispatched. They should not take everything in their own hands, but should rely on commune party committees and grassroots party branches and the poor and lower-middle peasants. It is necessary to make an overall plan, grasp one-third of the work well each year and persist in doing so for a long time so as to accomplish the task of consolidating the dictatorship of the proletariat in the grassroots units and build every county into a fighting bastion that will uphold chairman Mao's proletarian revolutionary line and keep to the socialist road.

#### *On Mechanization and Agricultural Development*

We have now built a number of advanced counties in learning from Tachai and had good harvests for fifteen consecutive years, thus ensuring food and clothing for the eight hundred million people. This is a very great achievement. But we must take cognizance of the fact that interference and sabotage by Liu Shao-Chi, Lin Piao and the "gang of four" were serious and that the rate of agricultural development has fallen much behind the ...country's socialist revolution and construction. In developing the national economy, take further steps to consolidate and expand the collective economy of the people's communes, and make a leap from small-scale farming with animal-drawn farm implements. We must...realize in the main the mechanization of farming throughout the country by 1980.

It is necessary to implement the "eight-point charter" for agriculture in an all-round way and raise the level of scientific farming. It is imperative, in particular, to make large-scale, unremitting efforts in building capital farmland construction projects, do a good job of this

great socialist undertaking and ensure stable, high farm yields. We have achieved very great successes in this respect but the development has been lopsided, so much that the mountains and rivers in a few places have remained as they were before and the people there still live at the mercy of the elements. This state of affairs must not be allowed to continue. We must wage an all-out people's war for capital farmland construction projects by combining the mass movement with the ranks of professionals. The more enthusiastically the people work, the more we should be concerned with the well-being of the masses, pay attention to methods of work and guard against coercion and commandism. We must make sure that, with efforts in the next few years, the total amount of farmland giving stable, high yields irrespective of drought or waterlogging will by 1980 average one-fifteenth of a hectare per capita of the rural population. We must step up the pace of farm mechanization.

It is necessary to give full scope to the advantages which the people's communes possess of being bigger and having a more developed socialist nature than the former agricultural co-ops and consolidate and develop the people's commune system.

The shattering of the "gang of four" has freed the productive forces greatly. The tremendous expansion of agriculture, in turn, is bound to motivate and promote a new upsurge in the entire national economy.

We should act firmly in accordance with chairman Mao's teaching: "All secretaries of the provincial, municipal and prefectural party committees and the leading comrades of the central departments should exert themselves and, on the basis of raising their level of Marxism-Leninism, turn themselves into experts versed in both political and economic work. It is necessary to do a good job of political-ideological work on the one hand and of economic construction on the other. We should develop a really good understanding of economic construction."

So long as we come to understand more of Marxism-Leninism, natural science and, in a nutshell, the laws governing the objective world and commit fewer subjectivist errors, the goal of our work of revolution and construction can certainly be attained.

## Gandhi Weakened by Congress Party Factional Feuding

For the first time since she declared a state of emergency in July 1975, India's Prime Minister Indira Gandhi has begun to feel the strains of bitter factional infighting inside the ruling Congress Party. Party feuding has forced the resignation of the pro-socialist Chief Minister of the state of Orissa, Nandini Sathpathy, and two other states, Kerala and West Bengal, are extremely tense. The sharp factional battling has paralyzed the state governmental apparatus, preventing the implementation of Gandhi's 20-point economic program.

The domestic tensions of the Gandhi government have multiplied since August 1975 when India played a major role demanding the implementation of a new world economic order at the Colombo summit meeting of nonaligned nations. Despite a continued Indian pressure for Third World debt moratoria and international economic change, domestically Gandhi's policies have languished as the stalemate grew between proponents of the domestic equivalent of a new world economic order and the entrenched business and landlord interests in the Congress Party.