

# How reforms in agriculture have boosted production

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In contrast with the worldwide economic recession, China's economy has shown marked progress. The basis of this is the successive bumper harvests in the past three years, a result, no doubt, of the changes in agricultural administration.

The socialist principle of distribution is from each according to his ability, to each according to his work. In the past, the practice of distributing the fruits of harvest did not reflect this fundamental principle. Thus labour was not fairly rewarded and caused dissatisfaction among commune members. The result was that productivity did not increase and in fact, decreased to a certain extent.

Before the present system of household responsibility, a large number of the commune members had the common desire to see a radical change in the management of the collective economy.

In December 1978, the Chinese

Communist Party decided to separate administrative and Party affairs. Comrade Wan Li, then in charge of the National Commission of Agriculture, visited the Fengyang Prefecture of Anhui Province the following year. He encouraged the local peasants to experiment with a new management system.

The new system gave the responsibility for agricultural production to each farm household. There are two kinds of responsibility system: the first is commonly known as *bao gan*, which is total responsibility for production, and the second is *bao chan*, which is contracting jobs. A year ago when I met Mr John Gittings, of the Guardian newspaper, in Chu County, Anhui Province, he asked me what was the meaning of responsibility. My answer was: since there is an annual contract for both systems why not name them the contract system?

In distribution of farm products, the State is given priority, then the commune and then the farming

household. This method is simple and when introduced to the production brigades, a marked change in management follows. In reality this gives every farming household the freedom to manage by itself and to assume sole responsibility for its profits and losses. At the same time, land and the means of production still remain the property of the collective body.

As time goes on, a still newer system will emerge. Already agricultural co-ops have been organized, such as in Sichuan and Guangdong and other provinces. Some of them run specialized production such as duck-raising, cane sugar refining, grocery stores and transport services.

It is apparent that the new system of household responsibility has brought about a marked rise in production. In Foshan Prefecture of Guangdong Province, the increase in production in 1979-81 was 7.2 per cent for rice, 19.5 per cent for sugar cane, 71 per cent for peanuts, 35 per cent for fruit, 17 per cent live pigs and 26 per cent fish over 1976-78. In Yixing County of Jiangsu Province, the grain output in 1982 was 1,200 million catties, which was an increase of 270 million catties as compared to the previous year.

In the Cangzhou Prefecture of Hebei Province, the average annual income of the commune members increased by 20 per cent from 1979 to 1981. Another instance is that of Huaiyang County in Henan Province, where the agricultural output value increased from 17 million yuan in 1978 to 22 million yuan in 1981, an increase of 26 per cent within three years.

Due to the responsibility system there has been a remarkable increase in farm production even in the regions where agriculture is very backward. In Minguang County, Henan Province, where the soil has high saline-alkali content, agricultural production has risen during the past few years. There the farming families took the initiative to change crop distribution. In 1982 the annual income per person was 135 yuan, whereas in 1979 it had been only 45 yuan. In the Yingxian County in northernmost Shanxi Province agricultural production increased 22 per cent within the past few years, according to the prefectural Party secretary's report.

The present family contract system in the people's communes has been the dynamic force in our agricultural boom. The sudden increase of agrarian production has already forced the reform of the purchasing and transport systems. As the purchasing power of farming families increases, the demands for industrial products become more and more pressing.

This in turn compels certain reforms in our industrial system. Apparently our agrarian prosperity has far-reaching consequences. Besides, this hastens a kind of reform in the people's commune itself. There cannot be any fear what is known as capitalistic development as the land remains State-owned and prices are under State control.

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