

Bo Yibo

On state budget

06-08-1952

In his report, Bo Yibo pointed out: The state budget for 1951 was compiled when the US imperialists aggressively invaded North Korea, invaded Taiwan, and directly threatened the security of the Chinese mainland. At that time, less than a year has passed since the implementation of unified leadership and unified management of fiscal work across the country, and fiscal forces were still unable to balance revenues and expenditures; the state could not fully guarantee the supply of the main necessities of the people's lives. Prices that have just stabilized are in danger of re-fluctuation. Therefore, when compiling the state budget for 1951, it was necessary to start from the worst possible situation for the country, and to ensure the need for national defense, stabilize prices, and strive to improve fiscal and economic conditions as the basic policy. However, our country's financial and economic power has developed at an unprecedented speed on the basis of resisting U.S. aggression and aiding Korea, land reform, suppression of counter-revolutions, and people's economic recovery and transformation. As a result, the results of the implementation of the national budget in 1951 were far better than originally expected: revenue and expenditure were not only balanced, but also had surpluses. In addition to fully ensuring the needs of national defense, the payment was once stabilized with great strength. Prices. The Central People's Government has taken resolute steps.

In the first step, cash management has further realized the allocation and settlement system; the grain, gauze and some important industrial raw materials that are related to the people's livelihoods have been effectively mastered and managed; and the exchange of urban and rural materials has been organized nationwide. As a result of these effective measures, national prices in 1951 basically did not fluctuate under the conditions of the Korean War, with only a slight increase. In the restoration and transformation of economic and cultural undertakings, the state allocated a

More funds in 1950 accelerated the recovery and transformation of economic and cultural undertakings. Due to the growth of the country's economic power, people's lives have also improved, which is first manifested in the great increase in people's purchasing power.

According to incomplete statistics, the purchasing power of the people across the country in 1951 was about 25% higher than in 1950. In 1951, the wages of workers in state-owned enterprises across the country were generally adjusted. The wages of most corporate departments and most regions increased. With the implementation of labor insurance and welfare services, the actual wages of workers increased. The lives of farmers have also been generally improved due to land reform, increased production of grain and cash crops, and material exchanges between urban and rural areas.

Bo Yibo pointed out that there are four reasons why we can achieve such great results. First, the leadership of Chairman Mao and the Central People's Government have made various policies correct, as well as the joint efforts of all parties. The second is that all companies have implemented Democratic reform; third, on the basis of the great victories of the "Three Antis" and "Five Antis" movements to resist U.S. aggression and aid Korea, land reforms, suppression of counter-revolutions, and the masses of workers and peasants have unprecedentedly increased their enthusiasm for production and launched a patriotic increase in production and conservation campaigns; fourth It was the selfless help of the Soviet Union.

In his report, Bo Yibo also pointed out that there are still serious shortcomings in financial work:

One of the biggest shortcomings is the underestimation of the potential capacity of my country's current fiscal economy and the speed of its development. Regarding the planned target figures for stipulating income, whether in terms of taxation or in terms of corporate production and profit plans, our planned target figures are always low, not keeping up with actual development, and often broken by the enthusiasm and creativity of the masses. This is because the victorious Chinese people, especially the working class and peasant class, underestimate the enthusiasm and creativity that can be exerted under the superior people's democratic system and under the leadership of Chairman Mao and the Communist Party of China. Dare to move forward. At present, we must fight against the conservative tendencies in financial work, in order to unearth all the power that may be unearthed, gather all the financial resources that may be concentrated, and reduce food and clothing, and work hard for the country's industrialization.

The second shortcoming is that the fiscal supervision system is not strictly implemented and fiscal discipline is lax. This is reflected in the fact that certain agencies are concealing the state from the standpoint and partial viewpoints. The amount that should be turned in is not turned in, some are earmarked and not dedicated, and some are "mastered" after receiving the money. No need to use it.

The third shortcoming is that it does not have a good grasp and leadership over the capital construction projects. From financial and economic leaders at all levels to the person in charge of factories and mines, this important link is neglected. The planning, design, and construction tasks of many capital construction projects blindly rely on old engineers and technicians who have not undergone transformation. In large projects, the basic problems of the project cannot be solved. In order to meet the climax of economic construction, strive to explore the potential of the economy, oppose conservative tendencies, establish a fiscal supervision system, oppose standardism, and strengthen the leadership of capital construction. These are the main keys to the correct realization of the national budget in 1952. We must strive for its realization.

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When talking about the preparation of the national budget in 1952, Bo Yibo pointed out: We already have experience in resisting U.S. aggression and aiding Korea, stabilizing prices, and carrying out key construction at the same time, and have achieved great victories in the "three evils" and "five evils". On this basis, the basic policy for preparing the 1952 state budget is to continue to consolidate national defense, stabilize prices, and comprehensively restore and focus on construction.

The revenue of the state budget in 1952 increased by 41.66% compared to the actual revenue in 1951, and the expenditure increased by 55.52%. Bo Yibo then explained the total revenue of the state budget in 1952 and the total expenditure of Guqiao Net at the time of preparation with various specific facts and figures. The balance has been fully reached. Bo Yibo said: This is the first fiscal balance-of-payment year in our country under the wise leadership of Chairman Mao since the

establishment of the Central People's Government. Chairman Mao's report on the Third Plenary Session of the Seventh Central Committee of the Communist Party of China on June 6, 1950 pointed out: "To achieve a fundamental improvement in the financial and economic situation, three conditions are required, namely: (1) completion of civil engineering reform; (2) present There is a reasonable transfer of industry and commerce; (3) A substantial reduction in the funding required for state institutions. It will take a considerable amount of time to achieve these three conditions, about three years, or a little more. The entire party and the people of the country are equal We should work hard to create these three conditions. "For two years, we have worked hard in accordance with Chairman Mao's basic instructions. The restoration of production, the balance of income and expenditure, and the stability of prices indicate that my country's financial and economic situation has fundamentally improved. We have completed Chairman Mao's instructions ahead of time.

This has laid a good foundation for my country's future large-scale economic construction. This year, the work of national construction is carried out under more favorable conditions, that is, on the basis of the "three evils", "five evils" movement and the production increase and conservation movement. We believe that there will be better conditions in the future.

At the end of his report, Bo Yibo said with confidence: We are convinced that under the leadership of Chairman Mao and the Central People's Government, on the basis of the three major movements, the "Three Evils" and the "Five Evils" Movement, and the Production Increase and Conservation Movement, Thanks to the efforts of the people across the country, we will be able to successfully complete and exceed the indicators set in the 1952 state budget, which will lay a good foundation for future large-scale economic construction. But he also pointed out that while implementing increased production and saving, we must pay attention to the safety, health and essential welfare of employees. If you only pay attention to the former and forget the latter, it is wrong (this is what Mao Zedong wrote on Bo Yibo's report on August 3, 1952). It is precisely that we have shortcomings in this respect and we must try to correct it.