

Letter to Gao Gang on the Issue of Establishing Party Committees in State-Owned Factories

May 16, 1951

Comrade Gao Gang:

Regarding the issue of realizing unified leadership in state-owned factories, the East China Urban Work Conference and the majority of other comrades advocate for establishing Party Committees in factories to achieve such unified leadership.

The reason is that, at present, we still lack—or have very few—cadres who are both well-versed in economic work and technology *and* understand Party and mass work. Therefore, implementing a system where a single factory director has sole authority makes it difficult to effectively manage a factory. By contrast, collective leadership through a Party Committee can compensate for some of the shortcomings of the factory director and unify leadership across the Party, administration, trade unions, and the Communist Youth League.

That is to say, all important issues in the factory—except for urgent matters that the director can handle immediately—must first be discussed by the Party Committee and passed by majority vote. Matters concerning administration are to be handled by the factory director, while those concerning the Party, trade union, and Youth League are to be handled by their respective organizations.

The composition of the Party Committee should include the main responsible leaders in the factory. The secretary should be someone with stronger abilities. If the factory director does not also serve as the secretary, then a dedicated Party Committee secretary should be appointed to oversee unified leadership and political and mass work. In addition, a full-time deputy secretary should be appointed to manage Party branch affairs. If the director also serves as Party secretary, then two full-time deputy secretaries should be appointed.

Having a Party Committee leadership system does not cancel or hinder the factory director's responsibility system; on the contrary, it strengthens and supports it. Similarly, it also strengthens the work of the Party, the trade union, and the Youth League. The shortcomings of each of these sides can be compensated, and fewer mistakes will be made—just as we have benefited from implementing the Party Committee system in the army.

At present, implementing this Party Committee system is the best way to manage factories. A one-director system can only be implemented in a later period. At present, it is generally too early for that.

Once Party Committees are established in factories to ensure unified leadership internally, similar Party Committees must also be established outside the factories—under municipal, provincial, central bureaus, and central Party Committees—composed of representatives from the Party, trade unions, Youth League, and industrial management departments. This is to achieve unified external leadership over the factory and similarly compensate for any shortcomings in each area. That is to say, all major instructions to factories from all sectors must be approved by a majority of the enterprise Party Committee. This will ensure unified leadership from outside the factory.

Please bring these ideas to the Urban Work Conference on the 18th to gather everyone's opinions, and let me know their feedback.

Regarding your article on the position of factories and trade unions, I have read it and forwarded it to the Chairman. He may not have had a chance to read it yet. My opinion is that since the Fourth Plenary Session of the Central Committee is about to take place and will discuss this issue, and since

Comrade Zi Hui will also be attending, it would be best to discuss it then. Therefore, it would be better not to publish your article for now.

For your Urban Work Conference, we are sending Liao Luyan and the trade union's Chen Yongwen to attend.

Liu Shaoqi

May 16