

Circular of the CC on the Principles to Be Observed When Publishing National Economic Figures in Newspapers

Date: March 7, 1954

To: All Central Bureaus, Sub-Bureaus, and Provincial (Municipal) Party Committees

In recent months, *People's Daily* has published several statistical figures concerning the national economy in its editorials that have been found to contain errors—some inaccurate, some unreasonable, and some inconsistent. These mistakes have been verified by the State Statistical Bureau.

In a letter to the *People's Daily* editorial department, the State Statistical Bureau requested that, in the future, any nationwide economic figures of major significance to be published in newspapers should first be submitted for review by the Bureau. The Central Committee agrees that this request is correct.

We are therefore forwarding the original letter from the State Statistical Bureau for reference. The letter identifies several erroneous figures, especially those concerning the annual value created by workers, which must no longer be cited or reproduced.

Given that the publication of economic data—whether national or local—involves Party and state policy and that many of these figures are highly confidential, it is essential that all published data be accurate, reasonable, and consistent. Henceforth, all such figures must be published under the principle of unified release by the state statistical authorities.

Accordingly:

- Newspapers at all levels must obtain approval from their corresponding statistical offices before publishing any economic figures.
- Nationwide data must first be cleared with the State Statistical Bureau.
- Party committees at all levels shall bear political responsibility for the publication of economic figures and must strictly supervise the press to ensure adherence to these principles.
- Any violations must be promptly investigated and corrected.

The *People's Daily* must identify responsibility for the erroneous figures it has published and submit a self-criticism report to the Central Committee.

CCP Central Committee

March 7, 1954

Attachment:

Letter from the State Statistical Bureau of the Central People's Government to the *People's Daily* Editorial Department

Certain figures published in the *People's Daily* editorials of October 1, December 12, 13, and 25, 1953, appear to contain errors according to our available data. Please verify and make corrections.

(1) On the number of workers

The December 12 editorial stated:

“The total number of employees in our country has risen from more than 2.4 million in 1948 to more than 15 million in 1952—an increase of more than fivefold in four years.”

This is clearly inaccurate. According to our data, industrial output increased by less than 1.5 times between 1949 and 1952. There are no 1948 statistics, but it is estimated that 1948 and 1949 figures were roughly equivalent.

If the number of workers truly increased fivefold in that period, labor productivity would have declined drastically, which is obviously inconsistent with reality.

According to the 1952 labor survey, total workers numbered about 12 million, including:

- 3.4 million in factories and mines
- 1.4 million in urban handicrafts
- 1.35 million in transport
- 1.45 million in construction
- the remainder in other urban and rural occupations.

We are uncertain of the source of your newspaper’s figures. It is possible that the two numbers used are of different statistical scopes—the first likely referring only to factory and mine workers, while the second appears even larger than the total number of all workers, perhaps including some government and clerical personnel. Combining such incommensurable figures results in distorted conclusions.

(2) On the value created per worker

The December 13 editorial stated:

“By 1952, the average worker in state-owned enterprises created value worth 100 million yuan annually, of which 94%—after deducting wages—constituted direct wealth for the state.”

This figure is also incorrect.

According to data from the five central industrial ministries, the average output per employee in 1952 was about 6.6 million yuan (the textile industry averaged around 10 million yuan). The 6.6 million figure represents total output value, including raw materials and depreciation of machinery; only a portion of this represents new value created by labor.

The average wage per worker in 1952 was about 590,000 yuan, or roughly 9% of total output value. The share of wages in newly created value cannot yet be precisely calculated, but it is certainly much greater than 9%.

Your editorial’s claim that wages accounted for only 4% of created value is misleading and could provoke the question:

“If workers create such great value, why are wages not increased accordingly?”

Such a conclusion is inconsistent with the actual economic situation.

(3) On industrial growth

The December 25 editorial stated:

“The total output value of modern industry and handicraft industry in 1952 reached 131% of the 1951 figure.”

This number came from an early internal estimate prepared by our Bureau in March 1953, but has since been revised based on annual reports. The official 1952 Bulletin published by our Bureau shows industrial output increased by about 28% over 1951. All external publications should use the official bulletin figures.

(4) On labor productivity growth

The October 1 editorial stated:

“If labor productivity in state-owned enterprises increases by 10% annually, then over five years, about 60% of total output growth will result from improved productivity.”

We do not understand how this number was calculated, but we believe it is problematic and should be re-examined.

For the sake of accurate dissemination of Party and state policies and the consistency of published data, we propose that, in the future, *People's Daily* consult our Bureau in advance before publishing national-level or economically significant figures, so as to ensure accuracy and unity.

Sincerely,

State Statistical Bureau of the Central People's Government