

CCP Central Committee Instruction on Strictly Investigating Cases of Private Merchants Colluding with Cadres in Smuggling and Drug Trafficking

Date: March 28, 1952

To: All Central Bureaus, Sub-bureaus, and Provincial, Municipal, and District Party Committees:

The Beijing underground tram company case uncovered the illegal sale of more than 11 million tickets over three years. Cases involving private merchants colluding with cadres in large-scale smuggling of materials or trafficking of narcotics have also been uncovered in Beijing, Jinzhou, Shenyang, Tianjin, and Shanghai. In Taiyuan and Xi'an, large numbers of drug manufacturers and traffickers have been arrested. Among all of these, none compare in scale to the smuggling case uncovered by the Hengyang Railway Bureau.

The Hengyang case involved over 1,800 individuals, with smuggled goods valued at a staggering 700 billion yuan, including many contraband items. The Central-South Bureau has already issued orders to all provinces and cities in the region to thoroughly investigate such large-scale smuggling cases. All central and sub-bureaus, and provincial, municipal, and district committees should study the Hengyang case carefully. Major railway bureaus and key cities such as Shanghai, Tianjin, Shenyang, and Guangzhou must give particular attention to uncovering and investigating such major cases.

The reports from comrades Guo Weicheng and Liu Shenzhi of the Hengyang Railway Bureau are valuable and should be studied further.

Central Committee

March 28

On the Punishment of Smugglers

To: Hengyang Railway Committee, all provinces and cities, Zhengzhou Railway Committee, Ministry of Transport; copied to the Central Committee and Ministry of Railways:

The Central Committee agrees with the opinions of the Hengyang Railway Committee regarding the punishment of smugglers. Since there is not yet a unified policy on how to handle smuggling offenders, each unit may temporarily treat major smugglers (those with illegal profits exceeding 100 million yuan or who are organizers of smuggling rings) as they would treat major embezzlers — first placing them under centralized control.

During this period, every effort should be made to uncover the full scope of each case and to investigate private merchants and underground networks connected to the crimes. Suspects should be explicitly warned that if they can provide important and reliable leads or materials, their punishment may be mitigated in the future. Those who conceal information will be punished more severely.

Particular attention should be paid to uncovering leads related to the smuggling of gold, silver, narcotics, and firearms. All such materials should be compiled and submitted:

- Railway bureaus, the Yangtze River Shipping Company, and the Minsheng Company Seafarer Training School should report to the Central-South Bureau.
- The inland waterway and highway systems should report to their provincial Streamlining and Economy Committees.

This work should coordinate internally and externally with the final phase of the "Five-Anti" campaign in major cities, focusing efforts to thoroughly eliminate these criminal activities.

Central-South Bureau

March 24

Original Telegram from Guo Weicheng and Liu Shenzhi

To: Central-South Bureau, copied to the Ministry of Railways and all Railway Party Subcommittees:

Since the start of the "Three-Anti" campaign, and based on incomplete statistics, our bureau has uncovered 1,889 smugglers, including:

- 290 individuals who transported contraband themselves
- 1,599 individuals who carried contraband for others

The smuggled goods (excluding counterfeit currency and weapons) include:

Item	Quantity
Gold	157,293 taels
Silver	101,261 taels
Silver dollars	269,385 pieces
Wristwatches	413,155 units
Watch chains	3,207 dozen
Opium	284,910 taels
Heroin ("white powder")	67,031 taels
Morphine	9,984 taels
Saccharin	17,981 pounds
Penicillin	686,568 vials
Fountain pens	11,190 units
Cameras	128 units
Hong Kong dollars	870,211
Ginseng	16,964 jin
Pig bristles	1,517 jin

The estimated total value is 700 billion yuan.

The Hengyang Railway is located between the major port cities of Hong Kong, Macau, and Haiphong, connects southward to the opium-producing regions of Yunnan and Guizhou, and northward to the Yangtze River and all major railway lines, linking Chongqing, Wuhan, Shanghai, Beijing, and Tianjin.

Before liberation, smuggling was rampant in this area. After liberation, the situation has not improved significantly. This phenomenon is not unique to Hengyang — it likely reflects conditions across the national rail and shipping systems. Just as the transport arteries are the lifelines of the state, smuggling routes are their counter-current. These "toxic bacteria" not only infest transportation routes but also rely on networks of private merchants in major cities and spread throughout the country.

Smuggling is a favorite weapon of the bourgeoisie — historically, they used it to defeat feudal forces and establish their exploitative foundations. Now, they are using it in a frenzied attack on our people's democratic state. Its harm is not only economic but also political, military, and, most gravely, a direct threat to public health and safety.

We propose that the Central Committee act decisively, leveraging the momentum of the "Three-Anti" and "Five-Anti" campaigns, to launch a coordinated sweep both internally and externally. We also request the issuance of concrete policies for handling smuggling offenders.

We have submitted detailed reports and leads in writing. For now, we propose treating major smugglers (those with profits over 100 million yuan) like major embezzlers, placing them under centralized control immediately. At the same time, we will continue gathering information and actively take steps to block serious smuggling activities.

Please advise if this is appropriate.

Guo Weicheng and Liu Shenzhi
March 20