

Telegram from the Central Committee on Explaining to the Masses the Issue of Sino–Soviet Joint Stock Companies

(30 March 1950)

To all Central Bureaus and Sub-bureaus, and for transmission to all provincial and municipal Party committees:

After the announcement of the news that China and the Soviet Union had signed agreements concerning two joint stock companies for petroleum and non-ferrous metals in Xinjiang, great agitation has arisen among students in Beijing. Doubts have been expressed as to whether these two agreements might damage China's sovereignty. Many Youth League members have raised questions and demanded explanations; some have even cursed the Soviet Union as an aggressor and the People's Government as traitors to the nation, and there have been cases of demands to withdraw from the League and to petition the People's Government.

In order to utilize foreign capital to promote China's industrialization, it is necessary in certain sectors to cooperate with foreign capital and to establish such joint stock companies. This applies not only to cooperation with the Soviet Union, but also, under appropriate conditions, to cooperation with the various New Democratic countries, and even with certain capitalist countries, including the conclusion of joint-venture contracts or even concessionary agreements. After 1921, during the New Economic Policy, Lenin himself raised such proposals, and some concessionary enterprises did in fact emerge. On these matters, the Central Committee is preparing to issue appropriate explanations.

Agitation of the kind seen among Beijing students may also occur among people in other localities. Among the vast majority of the masses, such doubts stem from naïve nationalist sentiments. However, counterrevolutionary elements will inevitably exploit this situation to engage in extensive activities, and in doing so will expose their counterrevolutionary nature. Party committees, Youth League committees, and public security organs in all localities must pay close attention to this.

Before the Central Committee's explanation is issued, localities should not provide arbitrary explanations. After the Central explanation is published, all localities should promptly explain the matter in detail on that basis, so as to stabilize popular sentiment and isolate counterrevolutionary elements. Throughout the entire process, particular attention must be paid to those elements who actively advance various radical counterrevolutionary proposals and actions. Their statements and activities should be recorded, and they should be placed under surveillance in order to uncover counterrevolutionary behaviour and organizations among them. At an appropriate time, the public security organs should move to crack down on them. However, under no circumstances should rash action be taken, nor should panic or confusion arise; instead, one should remain calm and composed.

In explaining the issue, reason carefully, allow people to raise all questions, and then provide explanations. If certain questions cannot be answered, request instructions from higher authorities rather than responding unreasonably or indiscriminately labelling others with the "counterrevolutionary" label. We believe that the broad masses can be persuaded. However, with respect to genuine counterrevolutionary elements for whom there is solid evidence, once sufficient investigation and preparation have been carried out, they must be subjected to severe and thorough suppression.

Central Committee

30 March

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